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This publication is a contribution of the Agricultural Finance Research Branch, Farm Economics Research Division, Agricultural Research Service, United States Department of Agriculture, Norman J. Wall, Chief. The staff of this Branch conducts research in agricultural credit, farm taxation, farm insurance, farm real estate values, and in other fields relating to the general financial condition of agriculture. The results of this research are made available through reports and publications, and data are also furnished on request to various agencies of the Department of Agriculture, to other Federal and State organizations, and to private individuals and organizations.

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AGRICULTURAL FINANCE REVIEW

VOLUME 22

SEPTEMBER 1960

THE FUNCTION AND FINANCES OF SPECIAL DISTRICTS IN RURAL AREAS ^{1/}

Clarence J. Hein

One of the most striking features of the local government scene in the United States is the substantial increase in use of special districts to perform local government functions. If the trend continues, by 1970, special districts will become more numerous than either townships or municipalities and will rank second only to school districts as the most numerous type of local government units.

Special districts are created to undertake a wide variety of activities. They may vary in size from a small rural fire protection district to such giants as the Chicago Transit Authority, the Port of New York Authority, and the Southern California Metropolitan Water District, which handle many millions of dollars each year. ^{2/}

In many areas of activity, it becomes increasingly difficult to distinguish rural from urban aspects, and this is true also of activities of special districts. These activities vary from those that are primarily rural and agricultural, such as soil conservation, irrigation, weed and pest control, and predatory animal control, to primarily urban activities such as rapid transit and gas supply systems. In between are numerous functions, which may

^{1/} This article is concerned only with nonschool special districts, although technically school districts are one type of special district. Because the article examines primarily data from the 1957 Census of Governments, census definitions and terminology are used; thus "special district" means nonschool special district. The Bureau of the Census also uses criteria which require a district to have financial and administrative autonomy before it is counted as a unit of government. Therefore, the term "special district," as used here, does not include the many districts and authorities that are only partly independent of the municipality or county that created them.

Special credit is due Allen D. Manvel, Chief, and Joseph F. Arbena, Assistant Chief, Governments Division, Bureau of the Census, for their cooperation in making available unpublished census data on special district finances in Nebraska counties.

^{2/} Bollens, J. C., *Special District Governments in the United States*, Berkeley: University of California Press, 1957. A number of books and monographs have been published concerning one type of special district or concerning the special districts in one State. Bollens lists these in a bibliography on pages 267 to 269.

be performed for both rural and urban residents, such as provision of fire protection, cemeteries, libraries, and hospitals. The number in 1957 of special districts performing each function is shown below:

Primarily Rural Districts

Number

Soil conservation-----	2,285
Drainage-----	2,132
Irrigation and water conservation-----	564
Other natural resources-----	353

Both Rural and Urban Districts

Fire protection-----	2,624
Cemeteries-----	1,107
Highways-----	782
Hospitals-----	345
Libraries-----	322
Parks and recreation-----	316
Health-----	223
Flood control-----	209
*Fire and water supply-----	111
*Irrigation and/or flood control and water supply-----	96
Electric light and power (utility)-----	71
*Irrigation and/or flood control and electric power-----	12

Primarily Urban Districts

Housing-----	969
Urban water supply (utility)-----	787
Sanitation-----	451
*Sanitation and water supply-----	144
Water transportation and terminal facilities-----	105
Airports-----	29
Gas supply (utility)-----	19
Transit (utility)-----	7

Unclassified Districts

Other single-function districts-----	43
*Other multiple-function districts-----	299
Total-----	14,405

* Multiple-function districts.

Bureau of the Census, 1957 Census of Governments, Vol. 1, No. 1, Governments in the United States, pp. 30-31.

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The 1957 Census of Governments brought together and made available for the first time in an organized way a considerable amount of data concerning the finances of special districts. 3/ As the property tax has decreased in importance as a source of locally raised revenue, sales and services charges have become more important as a source of revenue for local governments. An example is a burial fee charged by a cemetery district, or a charge for water sold by an irrigation or water district. As a group, special districts rely heavily on revenue from charges and use general property taxes comparatively little.

The finances of special districts, then, are a matter of considerable interest because these units rely upon charges and miscellaneous revenue, one of the fastest growing sources of locally raised revenue. Because they also rely relatively lightly upon the other fast-growing source of funds for local government - intergovernmental payments from State and National Governments - they present an example of a local government agency that is providing an increasing proportion of governmental services from locally raised funds.

Increase in the Use of Special Districts, 1942-57

In recent years, the unit of local government in the United States that has increased most rapidly in numbers has been the special district. There were 6,106 more special districts in 1957, than in 1942, an increase of 74 percent. The number of municipalities increased by 963, or 5.9 percent, and all other types of local government decreased in number. 4/ During this period, all local government units decreased in number by 34 percent. The decrease of 58,133 in the number of school districts was the chief factor in the overall decrease (table 1).

In 1957, the number of special districts ranged from 1,800 in Illinois to 32 in West Virginia (table 2). Although special districts were found in all States, they were concentrated chiefly in nine States - California, Illinois, Kansas, Missouri, Nebraska, New York, Oregon, Texas, and Washington. These nine States had 8,559 special districts, slightly more than 59 percent of the total. Thus there was a considerable concentration in two areas, the Pacific Coast States and the Illinois-Missouri-Kansas-Nebraska area.

Reasons for Creating Special Districts

The reasons for the increased use of special districts in the United States are probably as varied as the forms of organization and purposes of the districts themselves. 5/ This variety provides a clue to their popularity, however, because it indicates that special districts are used to accomplish

3/ The published data may be found in Bureau of the Census, U. S. Census of Governments, 1957, Vol. III, No. 2, Finances of Special Districts.

4/ U. S. Bureau of the Census, 1957 Census of Governments, Vol. 1, No. 1. Governments in the United States, p. 1. Unless otherwise noted, this publication is the source of all data on numbers of local governments used in this section.

5/ The discussion that follows is based on Bollens, *Op. cit.*, pp. 5-15, and Thrombley, W. G., *Special Districts and Authorities in Texas*, University of Texas Institute of Public Affairs, 1959, pp. 12-18.

Table 1.- Local government units in the United States, 1942 and 1957

Type of government	Number of units		Change, 1942-57
	1942	1957	
County-----	3,050	3,047	-3
Municipality-----	16,220	17,183	+963
Township-----	18,919	17,198	-1,721
School district-----	108,579	50,446	-58,133
Special district-----	8,299	14,405	+6,106

Bureau of the Census, 1957, Census of Governments, Vol. 1, No. 1, Governments in the United States, p. 1.

things that could not be done readily by cities, counties, and townships. For one thing, the boundaries of existing local governments may not be suited to the activity desired. For example, if interested citizens want their local government to build irrigation works and supply water to farms in part of a river basin, the boundaries of this activity probably will not coincide with county or township lines. A special district, however, can be organized with boundaries that coincide with the desired governmental activity.

Sometimes statutory limitations on indebtedness or tax levies make it difficult for existing local governments to undertake an activity desired by citizens. In this situation, the establishment of a new special district that has the power to borrow money or levy taxes will have the effect of raising the total borrowing or taxing power of local government in a given area. When legal fiscal limitations are excessively restrictive, the creation of special districts may be the most expedient way of carrying on necessary governmental activities.

Existing local governments may also be unsuitable because of their administrative structure. For example, county governments in a number of States are not organized for effective operation of an activity that requires centralized, technically qualified administration.

The attitude of local government officials toward the proposed activity may also be a factor in the creation of special districts. If these officials are opposed to undertaking the activity, proponents may find it necessary to organize a special district in order to get the action they desire. Creation of a special district avoids disturbing loyalties to the older units of local government and does not abolish jobs.

Table 2.- Number of special districts, 1942 and 1957, by State and region

State and region	Number of special districts		State and region	Number of special districts	
	1942	1957		1942	1957
Maine-----	34	107	South Carolina-----	25	112
New Hampshire-----	70	80	Georgia-----	94	255
Vermont-----	46	72	Florida-----	101	227
Massachusetts-----	44	205	Alabama-----	58	119
Rhode Island-----	14	51	Southeast-----	278	713
Connecticut-----	135	187			
New York-----	675	924	Mississippi-----	250	248
New Jersey-----	65	140	Arkansas-----	611	254
Pennsylvania-----	91	34	Louisiana-----	198	217
Delaware-----	1	64	Delta States-----	1,059	719
Maryland-----	41	155			
Northeast-----	1,216	2,019	Oklahoma-----	5	105
			Texas-----	309	645
Michigan-----	8	102	Southern Plains-----	314	750
Wisconsin-----	81	78			
Minnesota-----	1	92	Montana-----	71	174
Lake States-----	90	272	Idaho-----	321	431
			Wyoming-----	47	133
Ohio-----	48	160	Colorado-----	119	421
Indiana-----	229	313	New Mexico-----	24	112
Illinois-----	1,042	1,800	Arizona-----	54	50
Iowa-----	18	199	Utah-----	32	118
Missouri-----	949	827	Nevada-----	18	58
Corn Belt-----	2,286	3,299	Mountain-----	686	1,497
North Dakota-----	8	168	Washington-----	429	745
South Dakota-----	2	69	Oregon-----	258	550
Nebraska-----	198	610	California-----	996	1,650
Kansas-----	264	808	Pacific-----	1,683	2,945
Northern Plains-----	472	1,655			
			United States 1/-	8,299	14,405
Virginia-----	14	40			
West Virginia-----	10	32			
North Carolina-----	71	111			
Kentucky-----	104	157			
Tennessee-----	15	195			
Appalachian-----	214	535			

1/ Includes 1 special district in the District of Columbia.

Still another fairly common reason for creating a special district is the desire to keep the activity independent of existing government units. School districts are the most familiar example of units created by this desire for independence from other local government activities.

Finally, in some instances, a special district may be promoted by individuals who hope to make profits. The creation of a special district to bring water into an area, for example, may increase the salability of land owned by promoters. In other instances, proponents of the district may envision profits through dealing in the bonds issued by the special district. In other instances, private concerns anxious to sell equipment and supplies may promote establishment of new special districts.

Whatever the cause for establishing them, special districts provide an element of flexibility in local government. Often, however, the result is also fragmentation into too many small units of government. In many instances, the objective of effective local government might be better achieved by undertaking a reorganization of such existing local units as cities and counties. Because reorganization is slow and difficult, expediency often leads instead to the creation of more special districts.

Revenues of Special Districts in 1957

Because special districts have been organized and are used for special purposes, it is not surprising to find that they differ from other units of local government in their overall patterns of revenue and expenditures. Special districts received 5.1 percent of all total government revenue in the United States in 1957. They tended, however, to receive less intergovernmental revenue than did other local governments. As a result, special districts accounted for 6.3 percent of the revenue raised by local governments from local sources.

Special districts received proportionately less funds from taxes and more from sales and service charges than did other local governments. Special districts accounted for only 1.9 percent of all local government general revenue from taxes, while they received 15.4 percent of the revenue local governments received from charges and miscellaneous revenue. In addition, special districts received 16.7 percent of the total revenues of local governments from utilities and liquor stores. ^{6/}

^{6/} The Bureau of the Census defines utility revenues to include revenues from water, electric, gas, and transit utilities. This narrow definition of utilities is used because it expedites the compilation of more comparable figures from State to State than would be possible if other service enterprises of local government, such as garbage and trash collection or sewage-disposal systems, were included in the definition of utilities. No liquor stores were operated by special districts in 1957, but revenues of city and county stores are included in the totals for local governments.

The pattern of special district revenues takes on increased importance because their major source of revenue - charges and miscellaneous revenue - is becoming increasingly important as a source of local government revenue. As indicated earlier, taxes, which account for a relatively minor part of special district revenues, have decreased in importance as a source of revenue for all local governments (table 3).

Table 3.- Percentage of total local government revenue from major sources, all local government and special districts, 1942 and 1957

Source	All local governments		Special districts
	1942	1957	1957
	Percent	Percent	Percent
Taxes-----	57.0	49.4	19.2
Charges and miscellaneous revenue-----	8.1	12.4	37.5
Utilities and liquor store revenue-----	11.1	10.6	33.4
Intergovernmental revenue-----	22.6	26.1	9.3
Other-----	1.2	1.5	.7
Total-----	100.0	100.0	100.0

1957 figures from U. S. Census of Governments, 1957, Vol. III, No. 5, Compendium of Government Finances, table 4, p. 18; 1942 percentages computed from Historical Statistics on State and Local Government Finances, 1902-53, issued by U. S. Bureau of the Census as State and Local Special Study No. 38, 1955, table 3, p. 21. The percentages for all local governments include special districts. Items do not add to total because of rounding.

Total Expenditures, Capital Outlay, and Indebtedness
of Special Districts

Expenditures of special districts in the United States totaled \$1.8 billion in 1957, or 5.8 percent of the total expenditures of all local governments in that year. Special district expenditures were made for a wide variety of functions, as shown by the following list:

Function	Million dollars
Housing and community development-----	255
Electric power systems (utilities)-----	241

<u>Function -Cont.</u>	<u>Million dollars</u>
Water supply systems (utilities)-----	196
Transit systems (utilities)-----	165
Hospitals-----	129
Natural resources-----	120
Sewers and sewage disposal-----	114
*Interest on general debt-----	102
Air transportation facilities-----	89
Water transportation facilities-----	84
Local parks and recreation-----	60
Highways-----	99
Gas supply systems (utilities)-----	46
Local fire protection-----	31
Local libraries-----	13
Health-----	9
Other-----	9
Intergovernmental expenditure-----	19
Employee retirement insurance trust-----	13
Total-----	<u>1,795**</u>

* Interest expenditures for utilities amounted to an additional 60 million and are included in the amounts listed for utility expenditures.

** Amounts do not add to total because of rounding.

Special districts engage in governmental activities that involve proportionately more capital outlay than do those of local governments in general. In 1957, special districts spent 9.6 percent of the amount expended for capital outlay by local governments, considerably higher than the districts' proportion of total expenditures, which was 5.8 percent.

Because capital outlay expenditures are frequently financed by borrowing, it is not surprising that special districts accounted for 16.8 percent of total local government indebtedness in 1957. The indebtedness of special districts compared with that of other types of local governments and of State governments is shown below:

	<u>Amount of indebtedness, 1957 (million dollars)</u>
Municipalities-----	19,076
States-----	13,738
School districts-----	9,062
Special districts-----	6,623
Counties-----	3,537
Townships-----	1,004

As would be expected, special districts accounted for a relatively high proportion of local government expenditures for interest on debt, making 15.8 percent of such expenditures in 1957.

Special District Finances in the States

Because individual States are free to establish any system of local government they desire, the number of special districts and their share of total revenues and expenditures varies from State to State. The purposes for which the districts are organized and their financial powers vary also.

The proportion of all local government revenues received by special districts varied from less than 1 percent in Michigan, Iowa, South Dakota, and Oklahoma to nearly 31 percent in Nebraska. Such districts received more than 10 percent of local government revenues in Illinois, Idaho, Arizona and Washington, in addition to Nebraska.

Expenditures showed a similar variation, ranging from less than one-half of 1 percent in Oklahoma to 34 percent in Nebraska (table 4). In addition to Nebraska, the States in which special districts made more than 10 percent of the local government expenditures were Illinois, Georgia, Arizona, and Washington.

Even State by State comparisons may conceal considerable variation in special district finances from one State to another. Special districts may account for a high percentage of local government revenues and expenditures in one State because several hundred small districts, such as fire-protection districts, may be in operation. Another State may show an equally high percentage because of one or two metropolitan utility or transit districts that handle many millions of dollars each year. To explore special district finances thoroughly, each State would need to be studied separately. Obviously, such thorough study is not possible in a short exploratory report.

Special Districts in Nebraska

Nebraska was chosen for closer examination because it is one of our more rural States and has a wide range of special district governments. In 1957, with 610 special districts, it ranked eighth among the States in total number of such units. Nebraska ranked highest among the States in percentage of total local government revenues and expenditures handled by special districts in 1957 - 30.9 and 33.5 percent - respectively. Because of the large number of special districts in Nebraska, and their importance in the total financial picture, a closer look at this State and some of its counties should give a more specific picture of special district finances.

Nebraska had 6,657 units of local government in 1957, more than any other State. About three-fourths of these units were school districts, whose numbers have not decreased quite as fast in Nebraska in recent decades as in such States as Illinois and Minnesota. In general, Nebraska shows the same pattern of change in local government units as does the Nation as a whole. The number of local units of government has decreased substantially, and the number of special districts has increased sharply (table 5).

Table 4.- Special district and all local government total expenditures, by States, 1957

State	Total local government expenditures	Special district expenditures	Special districts as percentage of local government
	Million dollars	Million dollars	Percent
Maine-----	102.7	7.1	7
New Hampshire-----	75.4	2.3	3
Vermont-----	49.5	.5	1
Massachusetts-----	1,114.2	92.2	8
Rhode Island-----	104.3	3.6	3
Connecticut-----	383.6	27.2	7
New York-----	4,476.4	175.7	4
New Jersey-----	1,061.0	60.0	6
Pennsylvania-----	1,529.3	30.3	2
Delaware-----	42.3	.6	1
Maryland-----	509.6	42.2	8
Michigan-----	1,485.3	11.9	1
Wisconsin-----	787.5	13.5	2
Minnesota-----	715.1	9.0	1
Ohio-----	1,643.4	27.0	2
Indiana-----	689.3	32.9	5
Illinois-----	1,841.9	294.4	16
Iowa-----	456.3	2.4	1/4
Missouri-----	562.7	21.0	4
North Dakota-----	92.7	1.8	2
South Dakota-----	102.5	.5	1/4
Nebraska-----	331.0	110.8	34
Kansas-----	427.5	14.6	3
Virginia-----	430.3	25.3	6
West Virginia-----	160.7	2.9	2
North Carolina-----	419.8	8.0	2
Kentucky-----	278.3	3.2	1
Tennessee-----	559.8	21.8	4

See footnotes at end of table.

-Continued

Table 4.- Special district and all local government total expenditures, by States, 1957 -Continued

State	Total local government expenditures	Special district expenditures	Special district as percentage of local government
	<u>Million dollars</u>	<u>Million dollars</u>	<u>Percent</u>
South Carolina-----	227.9	10.2	4
Georgia-----	467.1	51.9	11
Florida-----	724.1	34.3	5
Alabama-----	356.6	29.2	8
Mississippi-----	202.7	2.6	1
Arkansas-----	149.7	3.0	2
Louisiana-----	460.5	30.6	7
Oklahoma-----	302.8	1.1	1/
Texas-----	1,448.3	88.1	6
Montana-----	109.1	1.9	2
Idaho-----	92.9	8.5	9
Wyoming-----	62.9	3.0	5
Colorado-----	373.9	11.1	3
New Mexico-----	122.9	2.5	2
Arizona-----	216.7	40.5	19
Utah-----	130.7	10.5	8
Nevada-----	57.2	4.3	8
Washington-----	627.8	121.8	19
Oregon-----	311.9	22.3	7
California-----	3,848.1	267.1	7
United States-----	2/ 30,932.4	2/ 1,795.0	6

1/ Less than 0.5 percent.

2/ Columns do not add to totals because of rounding and because the Bureau of the Census netted out interlocal transactions to avoid duplication in the aggregates.

Percentage computed from dollar amounts which were taken from U. S. Census of Governments, 1957, Vol. III, No. 5, Compendium of Government Finances, table 46, pp. 66-165.

Table 5.- Number of local units of government in Nebraska, and percentage change, 1942 to 1957

Type of unit	1942	1957	Change, 1942-57	
	Number	Number	Number	Percent
Counties-----	93	93	---	---
Municipalities-----	530	534	4	0.8
Townships-----	476	478	2	.4
School districts-----	7,009	4,942	-2,067	-29.5
Special districts-----	198	610	412	208.1

Changes computed from 1957 numbers taken from U. S. Census of Governments, 1957, Vol. VI, No. 25, Government in Nebraska, p. 1, and 1942 numbers from Governmental Units in the United States, 1942, table 1, p. 9.

Except for school districts, special districts in Nebraska were the most numerous type of local government unit in 1957. The wide range in purposes and numbers of special districts is shown below: 7/

Type of district	Number
Drainage districts-----	57
Health districts-----	1
Housing authorities-----	3
Irrigation districts-----	36
Noxious-weed-eradication districts-----	82
Omaha metropolitan utilities district-----	1
Public power districts-----	35
Reclamation districts-----	3
Rural cemetery districts-----	16
Rural fire-protection districts-----	262
Sanitary and improvement districts-----	25
Soil conservation districts-----	88
Watershed districts-----	1
Total-----	610

7/ All of the statistics on this and subsequent pages, unless otherwise noted, are from U. S. Census of Governments, 1957, Vol. VI, No. 25, Governments in Nebraska.

Special districts were used in Nebraska for a wide variety of purposes, with rural fire-protection districts the most numerous. As Nebraska is one of the more rural States, the number of districts organized for rural governmental activities was quite large. However, Nebraska also had some large urban special districts, such as the Omaha Metropolitan Utilities District, which provided water, gas, and electricity in the metropolitan area. Nebraska is also the only State that relies entirely upon publicly owned electric power systems, and special districts have been used to organize and operate these systems. As a result, several large special districts, such as the Consumers Public Power District, the Loup River Public Power District, and the Platte Valley Public Power and Irrigation District, were engaged in this activity. ^{8/}

Special District Finances in Nebraska in 1957

Nebraska ranked fourth among the States in amount of special district revenues and fifth in expenditures, but first in the percentage of both local government revenues and expenditures accounted for by special districts. As was true in most States, special district revenues and expenditures in Nebraska were largely for activities classified as utilities. When utility revenues were excluded, the special districts received 4.9 percent of the revenues of local governments from their own resources.

The fact that special districts in Nebraska were used extensively for activities that require capital expenditures is illustrated by the tabulation below:

<u>Type of local government</u>	<u>Capital outlay (1,000 dollars)</u>
Counties-----	6,829
Municipalities-----	22,054
Townships-----	537
School districts-----	14,423
Special districts-----	43,741
Total-----	<u>87,584</u>

Special districts spent more for capital outlay than any other type of local government in Nebraska and accounted for half the total amount of capital outlay in 1957.

Because these capital expenditures were financed primarily through borrowing, it is not surprising that special districts had 66.8 percent of the

^{8/} A more complete explanation of the origin and operation of these districts may be found in Clarence A. Davis, Nebraska's Public Power Explained, 1949.

total outstanding local government debt in Nebraska. Special district expenditures for interest amounted to \$6.8 million of the government interest payments of \$10.9 million in 1957. 9/

Special districts in Nebraska relied heavily on service charges and special assessments and very little on general property taxes as a source of revenue. Most other types of local government in the State used the property tax as the primary source of income. In addition to the special districts, only the municipalities received less than half their revenues from the property tax. As did the special districts, municipalities relied heavily upon service charges and utility income (which comes primarily from service charges). The tabulation below shows the sources of special district revenues in 1957:

<u>Source</u>	<u>Amount</u> <u>(1,000 dollars)</u>
Intergovernmental revenue from:	
Federal government-----	356
State government-----	37
Other local governments-----	40
Property tax-----	1,433
Current charges-----	3,127
Special assessments-----	1,235
Interest earnings-----	927
Other-----	374
Utility revenue:	
Water supply systems-----	3,415
Electric power systems-----	67,347
Gas supply systems-----	15,172
Insurance trust funds-----	643
Total-----	<u>94,106</u>

In the United States, the largest category of expenditures of special districts was for utilities, followed by housing and community development, and hospitals. Because Nebraska is less urbanized than the States with larger special district expenditures, the largest proportion of expenditures is for utilities, followed by expenditures for natural resources. Classified in the latter category are the expenditures of drainage districts, irrigation districts, noxious-weed-eradication districts, soil conservation districts, and watershed districts. The tabulation below gives the general government expenditures of special districts in 1957 by function:

9/ An interesting aspect of this debt financing is that Nebraska permits farm mutual insurance companies to lend money to rural fire-protection districts at low interest rates for the purchase of equipment. One such company reported lending \$1.1 million at 1 percent interest to 131 districts over a 10-year period. See the Farmers Mutual Tel-e-press, Vol. 6, No. 3, June 1958, p. 1.

<u>Function</u>	<u>Amount</u> <u>(1,000 dollars)</u>
Health-----	16
Highways-----	2
Housing and community redevelopment-----	871
Local fire protection-----	323
Natural resources-----	2,632
Sewers and sewage disposal-----	109
Interest on general debt-----	277
Other-----	25
Total-----	<u>1/ 4,256</u>

1/ Items do not add to total because of rounding.

As was the case with the nationwide statistics, statewide statistics for Nebraska may conceal wide variations in the use of special districts from county to county. Seven of the smaller counties in Nebraska had no special districts. At the other extreme, Douglas County had 31 and Scotts Bluff County, 32. The median number per county was 6. Examination of the finances of special districts in a few counties should serve to illustrate the variety of activities in rural areas and the means for financing them. Four counties were chosen for this purpose (table 6). 10/

Scotts Bluff County is a substantial agricultural county, ranking third in the State in the total value of farm products sold in 1954, with more than \$25 million. It is also the third most populous county in the State and ranks third in retail trade and value added by manufacture. It ranks first in the State in acreage under irrigation, with 168,294 acres. It contains the sixth largest city of the State, Scotts Bluff, which in 1950 had a population of 12,858. Its second city, Gering, is fairly large for the Great Plains area, with 3,842 people in 1950.

Burt County ranked eighth among Nebraska counties in agricultural products sold in 1954, while Gage ranked 10th and Perkins 54th. Neither Burt nor Perkins contained a city of 2,500 or more population in 1950, but Gage County contained Beatrice, the ninth largest city of the State, with 11,813 population in 1950.

In Scotts Bluff County, the total revenue of the special districts in 1957 was \$1,147,000, or 18.9 percent of the total revenue of all local governments in the county. The total revenue of the special districts was nearly as great as that received by the county and was larger than that received by the two major cities in the county.

10/ These counties are not intended as a scientific sample, and therefore generalizations for the State as a whole are not warranted from the data presented.

Table 6.- Number of special districts, by function, selected Nebraska counties, 1957

Type of district	Scotts Bluff	Burt	Gage	Perkins
Public health-----	1	0	0	0
Fire protection-----	7	5	6	2
Cemetery-----	5	0	0	0
Irrigation and water conservation----	6	0	0	0
Drainage-irrigation and water conservation-----	1	0	0	0
Drainage-----	8	2	0	0
Soil conservation-----	1	1	1	1
Flood control-----	0	1	0	0
Other natural resource-----	1	1	1	1
Irrigation and electric-----	0	1	0	0
Electric power-----	2	0	1	0
Total-----	32	11	9	4

Bureau of the Census files on special district finance in 1957.

The \$734,000 received by the special districts from charges and miscellaneous amounted to 59.9 percent of all local government revenues from this source. ^{11/} In contrast, the special districts received only 6.0 percent of the revenues from taxes, 5.8 percent from intergovernmental payments, and 25.8 percent of local government revenues from utilities. Because virtually all receipts from charges and miscellaneous revenues were received by special districts engaged in natural resource activities, a considerable part of this money was collected from farmers and ranchers either as charges for services, such as water for irrigation, or as special assessments to pay for previously installed works of capital improvements.

^{11/} In order to be comparable with available data on cities and counties, utility charges are not included.

In Burt County, the special districts received 21.2 percent of the total local government revenue, and in Gage County the percentage was 21.3. In both these counties, special district revenues consisted primarily of the receipts of the rural public power districts. In Gage County, more than 99 percent of special district revenue was earned by the electric utility district, which serves both urban and rural residents. In Burt County, 90 percent of special district revenues were from this source. In Perkins County, the special district revenues amounted only to \$20,390 and accounted for only 2.2 percent of all local government revenues.

Similar variation appears in the expenditures of special districts in these four counties (table 7). The \$1,249,709 in special district expenditures

Table 7.- Expenditures of special districts in selected Nebraska counties, by function, 1957

Function	Expenditure			
	Scotts Bluff	Burt	Gage	Perkins
	Dollars	Dollars	Dollars	Dollars
Public health-----	16,189	<u>1/</u>	<u>1/</u>	<u>1/</u>
Fire protection-----	6,596	8,555	3,364	31,653
Cemetery-----	6,513	<u>1/</u>	<u>1/</u>	<u>1/</u>
Irrigation and water conservation-----	894,371	125,460	<u>1/</u>	<u>1/</u>
Drainage-irrigation-----	33,471	<u>1/</u>	<u>1/</u>	<u>1/</u>
Drainage-----	30,686	2,910	<u>1/</u>	<u>1/</u>
Soil conservation-----	4,813	7,554	2,447	15,659
Flood control-----	<u>1/</u>	29	<u>1/</u>	<u>1/</u>
Other natural resources-----	9,207	8,216	0	1,067
Electric power-----	247,863	427,652	1,898,413	<u>1/</u>
Total-----	1,249,709	580,376	1,904,224	48,379

1/ No district performing this function.

Bureau of the Census files on special district finance in 1957.

in Scotts Bluff County was larger than the total expenditures of all local governments in 37 Nebraska counties. It was 19 percent of all local government spending in Scotts Bluff County. The special districts in Burt and Gage Counties accounted for 26 and 22 percent of all local government expenditures in these counties, respectively. Perkins County did not make extensive use of special districts, but its four special districts played an important role in the two activities for which they were used. The two fire-protection districts spent 100 percent of the funds expended in the county for fire protection, and the two natural resource districts spent 60 percent of all local government expenditures for this purpose.

A high proportion of local government expenditures for capital outlay was made by special districts in all four counties. In Scotts Bluff County, special districts accounted for 90 percent of all capital outlay by local governments. In Burt County, the percentage was 75, in Gage 63, and in Perkins 20. These are all substantially higher than the comparable percentages of total expenditures, indicating proportionately higher capital outlay activities by the special districts.

In Scotts Bluff County, 87 percent of local government debt was attributable to special districts. In Burt County, it was 83 percent, in Gage 72 percent, and in Perkins 15 percent. Again, these percentages are substantially higher than the comparable percentages for total revenues or total expenditures.

The finances of the special districts in these four Nebraska counties illustrate the wide variety of special district government in the United States. Some of these districts handle large sums of money, while others spend very little. In some counties, special districts are relied upon extensively to perform needed governmental functions, while in other counties they are used sparingly, if at all.

Conclusions

So far as special district services to farmers can be isolated in these financial statistics, it seems clear that these units of government were used for activities that benefit the farmer either directly or indirectly. Irrigation and drainage and soil conservation activities of special districts are clearly of assistance to farmers, but if they raise the general level of agricultural production they may also benefit residents of the retail trade centers patronized by farmers. Conversely, an urban water and fire-protection district may benefit primarily urban residents, but there may be indirect benefits for the farmers of the area if these facilities help to attract industry to provide jobs for people leaving agriculture. Similarly, adding industry to the tax base may decrease the tax burden on agricultural land.

The bulk of special district revenues come from the charges and miscellaneous revenue category (including utility revenues), and many of them are service charges and special assessments paid by farmers and ranchers. Charges are one alternative to general property taxes as a source of local government revenue; they account for an increasing proportion of that revenue. Because State and local governments are likely to account for an increasing proportion

of national income in the immediate future, it seems probable that farmers can expect service charges and special assessments to increase.

Although special districts perform a wide variety of useful functions, they also multiply the number of governmental units with which the citizen must deal. The more units there are, the more difficult it may be for citizens to maintain control over them.

The multiplicity of special districts that depend primarily upon service charges and special assessments also means a multiplicity of rate-setting agencies. The charges and assessments often depend upon the kind of credit rating the unit has, because borrowing is a primary source of funds for the capital improvements needed. If a smaller number of government units were engaged in this process, there is a strong probability that debt service costs would be more favorable and charges and assessments more equitable.

Individuals desiring additional government activity should consider re-organizing the county so that it could undertake the activity, rather than setting up additional special districts. It is also possible to provide for the organization of special districts that can undertake a wider range of activities than can the single function district. For example, a conservation district might be provided by law and permitted to engage in a wide range of activities such as irrigation, water conservation, drainage, soil conservation, and eradication of noxious weeds. Such districts are now authorized in some States, and an increase in their use might slow down the increase in the numbers of special districts.

Because a relatively high proportion of special district expenditures is for capital outlay, the districts rely heavily on borrowing as a source of funds. Indeed, they may be the major borrowers among rural local governments, because counties and townships have relatively low totals of indebtedness. Further study is needed of the sources and availability of credit for special districts and other rural local governments. 12/

As improvements in technology have made new services possible, special districts have often been chosen as the means of providing these services. If the service requires a considerable amount of capital outlay for public works and equipment, the use of special districts is even more pronounced. Service charges and special assessments have become a proportionately larger component in local government revenues. Because further technological advances can be anticipated, special districts can probably be expected to play an important part in local government in both rural and urban areas in the future.

12/ Loans are available to local organizations from the Farmers Home Administration under the Watershed Protection and Flood Protection Act for approved watershed projects. Special districts and other local units of government are eligible for these loans, which are for a maximum of \$5 million, and must be repaid within 50 years. They carry a rate of interest set annually by the Treasury Department. For loans made in fiscal 1960, the rate was 2.699 percent.

RECENT CHANGES IN THE COOPERATIVE PRODUCTION CREDIT SYSTEM

Marie Puhr and Martin H. Uelsmann
Farm Credit Administration

The Farm Credit Act of 1956, which became effective January 1, 1957, permitted farmers to take an important step toward the ultimate goal of complete ownership of the cooperative Farm Credit System. This act made it possible for farmers through their production credit associations (PCAs), now 98 percent farmer-owned, eventually to own the 12 Federal intermediate credit banks. The intermediate credit banks, the source of loan funds for PCAs and other financing institutions, had been completely Government-owned since their creation in 1923.

Corporations Merged with Credit Banks

This 1956 act further strengthened the financial resources of the credit banks and simplified and streamlined the organizational structure of the Farm Credit System by merging the 12 production credit corporations into the credit banks. These corporations were established under the Farm Credit Act of 1933 to assist farmers in organizing production credit associations, to supervise their operations, and to provide the initial capital of the associations through the purchase of their nonvoting class A (preferred) stock.

Basic credit and investment policies, as well as operating procedures, were prescribed by the corporations. The corporations approved interest rates and other charges, dividend payments, and various other actions of the associations. Under the law (as amended in 1955) a loan to any borrower exceeding 15 percent of an association's capital and surplus was submitted to the corporation for prior approval; and if the loan exceeded 35 percent of such net worth, further approval by the Farm Credit Administration was required.

Prior to January 1, 1957, the principal function of the Federal intermediate credit banks was to provide agriculture with short- and intermediate-term credit by discounting notes of farmers and stockmen for production credit associations, commercial banks, agricultural and livestock credit corporations, and similar lenders. Until the banks for cooperatives were established by the Farm Credit Act of 1933, the credit banks also made loans to farmers' marketing cooperatives on the security of warehouse receipts covering such staple commodities as wheat, rice, and other grains, cotton, wool, canned fruits and vegetables, and other products. To finance their lending operations, the Federal intermediate credit banks have always issued debentures, which are sold in the investment markets.

With the merging of the production credit corporations into the credit banks, these banks assumed the supervisory and service functions of the corporations with respect to the production credit associations. The authority to invest Government funds in capital stock of the associations was transferred from the production credit corporations to the Governor of the Farm Credit Administration. Therefore, the credit banks did not take over that function of the corporations.

The changes in the system in the last 3 years have been conducive to the development of greater teamwork between the Federal intermediate credit banks and production credit associations, as each group has a greater direct interest in the welfare of the other. The banks, on the one hand, are now directly responsible for the supervision and, by inference, the success of the associations. On the other hand, the associations have a direct interest in the welfare of the banks because of investments in their capital stock and eventual complete ownership of the banks.

Another benefit has been the possibility of savings in personnel. In the 3 years since the merger, the number of credit bank employees has been reduced 11 percent while the volume of business as measured by loans outstanding increased 86 percent.

Why Reorganization?

Why were the banks and the production credit corporations merged? To answer this question, we must go back to 1933, when the corporations and associations were organized. At that time, farmers were badly in need of a credit system geared to their farm businesses. Economic conditions were depressed, and it was necessary to get the system in operation quickly. The 12 Federal intermediate credit banks had been set up in 1923 by Act of Congress to extend credit for agricultural purposes. They were to be financed by sales of their debentures in the investment market. The banks were able to obtain ample lending funds through sales of debentures, but they lacked sufficient retail outlets to make credit widely available to farmers. It was to establish such outlets that the Farm Credit Act of 1933 provided for a nationwide system of farmer-operated production credit associations.

The job of organizing production credit associations throughout the United States and Puerto Rico was completed in 1934. Early in the 1940's, the associations began to repay the capital the corporations had provided on behalf of the United States. By January 1, 1957, U. S. Government capital in the associations was down from its peak of \$90 million to \$1.8 million. Left for the corporations was only the function of supervision and guidance, which was transferred to the Federal intermediate credit banks by the Farm Credit Act of 1956.

The main impetus for this reorganization came from the Farm Credit Act of 1953, which created the Federal Farm Credit Board. That act gave

the board the duty of making recommendations to the Congress on the means of gradually making the whole cooperative Farm Credit System completely farmer-owned, and on the means of giving farmers a greater voice in determining policies. The Farm Credit Administration held hearings in each Farm Credit district to assist the Federal Board in developing the plans it submitted to the Congress, which were incorporated in the Farm Credit Act of 1956. The Board's recommendations regarding the banks for cooperatives including a plan by which farmers' cooperatives using the banks would gradually replace Government capital had become law in the Farm Credit Act of 1955. The Federal land bank associations have always been member-owned and in 1947, they had become the sole stockholders of the Federal land banks.

Associations' Service to Farmers

The streamlining of the Production Credit System was suited to the times. As shown in the accompanying table, production credit associations have grown steadily on all fronts. Farmers borrowed 69 percent more money from the associations in 1959 than they did in 1956, the year just previous to the merger of the production credit corporations into the credit banks. Their loans outstanding on January 1, 1960, were just about double those outstanding on January 1, 1957.

PCAs Providing Larger Share of Credit

Although much of the increased amount of credit the associations have extended has been due to an increase in the size of the farm business and to the higher cost of items used in farm production, farmers have increased the share of the total non-real-estate credit they obtain from production credit associations. On January 1, 1957, the production credit associations accounted for about 8.8 percent of the total of farmers' non-real-estate debt outstanding in the United States, as estimated by the Farm Economics Research Division, ARS. By January 1, 1960, this proportion had increased to 12.8 percent, although the year 1959 showed some slackening in the rate of growth. For two previous years farmers had expanded their borrowings from production credit associations at the rate of 20 percent or more. In 1959, the rate of increase was only 11 percent.

The relatively large growth in loan volume is an important measure of service. However, the ability to adjust lending machinery to changing conditions is important also.

Intermediate-Term Loans Provided

With the size of farm businesses increasing, the need for intermediate-term credit for capital purposes also became greater.

Until 1955, production credit associations had handled capital financing for their members with a combination of 1-year loans and a program

Production Credit Associations

Selected data	As of December 31									
	1934	1938	1943	1948	1953	1956	1958	1959		
Number of members-----	123,426	282,191	338,149	434,676	476,839	477,063	492,291	508,500		
Borrowed by members during year (millions)-----	1/ \$107	\$302	\$501	\$924	\$1,226	\$1,488	\$2,205	\$2,515		
Members' loans outstanding (millions)-----	\$61	\$145	\$199	\$372	\$550	\$707	\$1,126	\$1,372		
Government-owned stock (millions)-----	\$90	\$73	\$76	\$29	\$4.9	\$1.8	\$4.0	\$2.8		
Member-owned stock (millions):										
Amount-----	\$4.2	\$15	\$27	\$57	\$93	\$102	\$132	\$157		
Percent of total stock-----	4.5	17	26	66	95	98	97	98		
Member-owned associations-----	---	---	---	45	330	455	455	456		
Accumulated earnings (millions)-----	\$0.7	\$11	\$28	\$50	\$86	\$100	\$110	\$119		
Net worth (millions)-----	\$95	\$99	\$131	\$136	\$184	\$204	\$246	\$279		
Dividends and patronage refunds paid during year (millions)-----	---	---	\$2	\$4	\$9	\$1.0	\$1.6	\$2.6		
Number of associations paying dividends-----	---	---	24	45	86	147	273	323		

1/ Amount loaned from organization through December 31, 1934.

of planned renewals that would liquidate loans for larger capital outlays over a longer period. In 1955, however, the Federal Farm Credit Board authorized the intermediate credit banks to discount such loans made with maturities up to 3 years -- the limit allowed under then existing law -- on an experimental basis.

The Farm Credit Act of 1956 extended the permissible term for such loans to 5 years. Thus, intermediate-term loans became a regular part of production credit association lending and credit bank financing.

Farmers' use of such loans for financing heavy machinery, livestock, farm improvements, and other longer term capital needs has continued to increase. On June 30, 1959, the amount of intermediate-term loans outstanding represented 12 percent of all production credit association loans compared with 9 percent a year earlier. Among the individual Farm Credit districts, the proportion of such loans on June 30, 1959, ranged from 1 to 28 percent of their total volume.

Financing Patrons of Cooperatives

An even newer development in production credit association operations is the making of agreements with farmers' supply cooperatives under which production credit associations make loans to patrons of these cooperatives to finance such transactions as purchases of feed, seed, fertilizer, and other supplies. In some instances, the cooperative provides the funds needed by the patron to purchase PCA class B stock to support his loan.

Ordinarily, such financing plans include provisions for acceptance of individual loans, of a maximum size agreed upon, in reliance upon the guaranty of the cooperatives or on the strength of a reserve fund set up by the cooperative to cover possible losses. In most instances, requests for loans in larger amounts are referred to the association and are handled in the same way as other loans, often without requiring the cooperative to assume liability for the debt of the patron. The aggregate amount of loans a production credit association will accept under the guaranty of a cooperative is limited to an amount which the association and the credit bank consider warranted by the financial position and operations of the cooperative.

To permit expeditious service to their patrons, the cooperatives are provided with PCA application and other credit forms, which they complete and have the patron sign at the time the supplies or services are furnished him. These papers are forwarded to the production credit associations by the cooperative and, upon acceptance, the proceeds are remitted to the cooperative as directed by the borrower.

These credit arrangements have facilitated the business of supply cooperatives by relieving them of substantial amounts of accounts receivable which they would otherwise be obliged to finance. Moreover, they have the benefit of the credit judgment of PCA personnel who specialize in the field

of financing farmers. The production credit associations benefit not only by the added volume of business represented by the loans made to finance such purchases but, more particularly, by the resulting opportunities to finance directly the short- and intermediate-term credit requirements of such new members. Thus, by working together, both the production credit associations and the cooperatives are improving their services to farmer-members.

Return Savings to Farmers

As in all cooperatives, PCA members have the opportunity of sharing in the savings made in their associations' operations. In the last 3 years, there has been a significant increase in the number of associations paying dividends and patronage refunds.

Distribution of net savings by means of patronage refunds rather than by the payment of dividends on class B stock is preferred by many associations. This is an established practice of farmers' cooperatives generally. It results in returning the savings to the members in proportion to their contributions to such savings. An increasing number of associations now pay dividends on their class A stock as a means of compensating those members who have purchased such stock in addition to the class B stock they must own in support of their loans.

The number of associations paying dividends on capital stock increased from 147 in 1956 to 323 in 1959. Of the associations that paid dividends, 32 also paid patronage refunds in 1956 and 71 paid such refunds in 1959. Dividends paid increased from \$653,000 in 1956 to \$1,183,000 in 1959, while patronage refunds increased from \$334,000 to \$1,428,000 in the same period.

Many associations, which had repaid all Government capital, could have paid dividends earlier, but their members preferred to build up additional reserves and surplus to assure themselves of a continuing source of credit. No association may pay dividends or patronage refunds unless it has retired all Government-owned class A stock; and patronage refunds may be paid only after a dividend has been paid on class A stock.

Capital of Production Credit Associations

Although the associations and banks working together have a growing volume of business, this rapid growth has brought problems. As lending institutions, the banks and associations need an underlying base of equity or risk-bearing capital. A measure of the adequacy of equity capital is the ratio of debt to net worth.

As the table shows, member-owned capital in production credit associations increased 53 percent in the 3 years since the merger. At the same time, reserves and surplus increased 19 percent, with a total increase in

net worth of 36 percent. Therefore, as loans outstanding practically doubled, the ratio of loans to net worth has widened. It is true that as the associations make more loans, their member-owned capital automatically increases because of the stock ownership requirement previously mentioned. But members are required to own stock only to the extent of \$5 for each \$100 borrowed. This is at a ratio of 1 to 20. A Federal intermediate credit bank may not extend additional credit to an association if its liabilities exceed 10 times its capital and surplus. In practice, such ratios are held to lower limits, usually 8 to 1 or below.

In many associations, members are buying class A stock, in addition to the class B stock they are required to have to support their loans; and many presently inactive members continue to hold class A stock in their associations. As a result of their ability thus to raise capital from the membership, and the surplus-reserves they have built up out of earnings, only a few member-owned associations have found it necessary to ask the Governor to reinvest in their capital stock from the Government revolving fund to support their greatly increased loan volume. This Government revolving fund of \$60 million is available for use in capitalizing production credit associations when the need arises. But the goal of farmers is to build the capital in the system rapidly enough so such capitalizing will not be needed. Members of most associations have bought more capital stock than the law requires so that their association could become and remain member-owned.

U. S. Government Capital in PCAs

On January 1, 1960, only 38 of the 494 PCAs were still using some U. S. Government capital, the amount being \$2.8 million. During the 3 years since the PCC-FICB merger, the Governor of the Farm Credit Administration invested a total of \$3,155,000 in capital stock of production credit associations, and \$2,165,000 of Government capital was retired. On January 1, 1960, farmers owned \$157 million of production credit association capital stock. Additional items in the net worth of production credit associations are \$117.6 million in surplus reserves accumulated from net earnings over the years and \$1.2 million of current unapplied earnings. Thus, on January 1, 1960, the combined net worth of all production credit associations totaled \$278.8 million. In addition to their surplus reserves, the production credit associations had set aside \$26.7 million in provisions for bad debt losses.

Capital of Intermediate Credit Banks

The capital problems of the intermediate credit banks differ from those of the production credit associations. Except for an initial subscription to the class B stock of the credit bank of its district which each production credit association was required to make at the time of the merger, and which was payable in three equal annual installments, there is no provision requiring an association to buy additional stock as its borrowings

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from the bank increase. The worth of the banks is built up from net earnings each year, a part of which is added to legal reserve account. The remainder (after payment of franchise taxes) is added to the capital structure by the issuance of class B stock to production credit associations and participation certificates to other financing institutions. These stock and participation certificates represent patronage refunds to the institutions that borrow from the banks during the year.

The merger transferred \$27.4 million in paid-in capital and \$12.7 million in earned surplus of the corporations to the capital structure of the banks, increasing their net worth from \$110.3 million to \$150.4 million. In light of the sharp increase in the volume of loans and discounts of the credit banks since January 1, 1957, this has proved to be an important addition. But even with this added net worth, together with capital and surplus built up from earnings in this 3-year period, it became necessary to draw on the revolving fund in the Treasury for \$16.3 million to add to the paid-in capital of five of the credit banks. Since the banks had retired \$13.6 million of Government capital during the 3 years since the merger, the Government's investment in capital stock of the banks increased only \$2.7 million. The change in the capital structure of the banks is reflected in the following tabulation:

Net Worth of the 12 Federal Intermediate Credit Banks

	<u>Jan. 1, 1957</u>	<u>Dec. 31, 1959</u>
Class A stock (U. S. Govt.)	\$87,405,000	\$90,139,120
Class B stock (PCAs)	-	20,503,615
Participation certificates (OFIs)	-	586,215
Surplus and legal reserves	<u>63,066,704</u>	<u>66,583,135</u>
	\$150,471,704	\$177,812,085

On December 31, 1959, the banks also had \$2,756,272 of undistributed earnings for the 6 months ended on that date.

The amount of debentures and notes payable of the banks outstanding on December 31, 1959, was 89 percent above that on January 1, 1957. Because accumulation of net worth from earnings is a slow process, this rapid growth in volume of business made it necessary for several banks to obtain additional capital from the revolving fund.

Money Costs Higher

Another problem of the system is the cost of money in periods of relatively high interest rates. Since funds for PCA loans come largely from the intermediate credit banks, which sell debentures to investors, the banks' discount rates normally follow interest rates in the investment

markets. As the discount rates of the banks are increased, production credit associations are obliged to raise the rates they charge farmers on their loans. The recent relatively high rates charged by the associations are explained by the fact that the interest rates paid on debentures sold in the market during the last year or more have averaged at the highest level in about three decades.

By absorbing a part of the increased cost of money during periods of rising interest rates, the Federal intermediate credit banks have been able to lessen to some degree the effects which wide fluctuations in cost of money would otherwise have on the interest rates paid by farmers on their borrowings from production credit associations. This is illustrated by the fact that for the calendar year 1959, the rate of interest earned by the credit banks on their loans and discounts averaged 4.17 percent, while the cost of debentures outstanding averaged 3.81 percent. By comparison, interest earned in 1958 averaged 3.83 percent while debenture costs were 2.99 percent.

Even though PCA members do not enjoy paying high interest rates, most of them realize that the assurance of adequate credit when they need it, on terms fitted to their business, is more important than the cost of such credit. In addition, a large proportion of the members hold down their credit costs by using budgeted loans -- loans advanced as they need the money and repaid as they sell their products. This saves money for the members because they pay interest on each dollar only for the number of days they have it.

Future Holds Challenge

Most farmer-directors of production credit associations are aware of their responsibilities. A continuing requirement is maintaining an efficient, businesslike operation. It is equally necessary to keep alert to the fast changing conditions in agriculture and to find ways of adapting the terms of their loans to these changes so they can give farmers with sound bases for credit the most constructive credit service possible. Association directors generally feel that these goals are essential for a farmer-owned credit organization in meeting its responsibilities in the future.

About 1 of 8 farm people involved in motor vehicle accidents were killed, according to a 1957 Iowa Farm Bureau survey. The fatality rate of victims of farm machinery accidents was almost as high - 11 percent.

LIFE INSURANCE CARRIED BY FARMERS IN THE GREAT PLAINS, 1957

Ralph R. Botts

Farm families in parts of the 10 States that comprise the Great Plains carried about \$1.9 billion in life insurance in 1957 (table 1). About 82 percent of the insurance was on the farm operator, 11 percent was on children, and 6 percent was on the spouse. This insurance has a "net" cash value of about \$404 million. ^{1/}

Table 1.- Amount of life insurance carried by farm families, net cash value of policies, and percentage of policies having loans outstanding against them, by family members insured, Great Plains, 1957 ^{1/}

Family member insured	Insurance		Net cash value ^{2/}	Percentage of policies with loans outstanding
	Amount	Percentage of total		
	Million dollars	Percent	Million dollars	Percent
Operator-----	1,517	81.9	347	5.4
Spouse-----	117	6.3	34	2.3
Children-----	207	11.2	23	.8
Other-----	^{3/} 3	^{4/} .4	^{3/} 3	^{4/} .4
Unknown-----	11	.6	^{3/} 3	^{4/} .4
Total or average----	1,852	100.0	404	4.1

^{1/} Colorado (10 counties), Kansas (16), Montana (8), Nebraska (12), New Mexico (4), North Dakota (12), Oklahoma (8), South Dakota (10), Texas (12), and Wyoming (2 counties).

^{2/} Surrender value less amount borrowed.

^{3/} Less than 0.5.

^{4/} Less than 0.05.

The amount of insurance carried by families having insurance averaged about \$7,000 per family (table 2). It had an average net cash value of about \$1,500. Loans were outstanding against about 4 percent of the policies.

^{1/} The net cash value of a policy is its surrender value reduced by the amount of any loan outstanding against it.

Table 2.- Percentage of farm families with and without life insurance and averages per family for amounts of life insurance owned, net policy cash values, and financial assets, by age-of-operator groupings, Great Plains, 1957

Age of operator and insurance per family	Families	Average per family		
		Insurance		Financial assets
		Face amount	Net cash value	
	Percent	Dollars	Dollars	Dollars
Age 44 or less:				
None-----	23.5	0	0	1,393
\$1 to \$1,999-----	16.6	1,399	372	1,844
\$2,000 and over-----	59.9	9,903	1,370	4,118
Total or average-----	100.0	6,160	882	3,099
Average, families with insurance-----	---	8,058	1,153	4,053
Age 45 to 64:				
None-----	30.7	0	0	3,393
\$1 to \$1,999-----	24.4	1,421	554	3,800
\$2,000 and over-----	44.9	8,894	2,522	9,780
Total or average-----	100.0	4,341	1,268	6,340
Average, families with insurance-----	---	6,267	1,830	9,152
Age 65 and over:				
None-----	63.4	0	0	4,827
\$1 to \$1,999-----	18.3	1,208	599	7,896
\$2,000 and over-----	18.3	6,897	3,232	27,180
Total or average-----	100.0	1,484	701	9,480
Average, families with insurance-----	---	4,054	1,916	17,543
All age groups:				
None-----	30.8	0	0	2,978
\$1 to \$1,999-----	20.3	1,394	492	3,460
\$2,000 and over-----	48.9	9,367	1,923	7,357
Total or average-----	100.0	4,863	1,040	5,216
Average, families with insurance-----	---	7,027	1,503	6,213

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In 1957, about 70 percent of the farm families in the Great Plains had some life insurance on one or more family members (table 2). Nearly half carried insurance amounting to \$2,000 or more, while only about 30 percent had no life insurance. The financial assets of insured families, including net cash values of policies, averaged about \$6,200, compared with an average of only \$3,000 for families having no life insurance.

One of the chief factors influencing the amount of insurance carried was the age of the operator. The younger operators were more frequently insured and carried more insurance than did the older operators. Another important factor was net worth. As net worth increased, the proportion of families having no insurance decreased and the proportion having more than \$2,000 in insurance increased. This was true at all age levels.

These findings are based on a comprehensive financial survey of 3,600 Great Plains farmers made in 1957. ^{2/} The purpose of this report is to provide greater detail on the life-insurance findings than will be found in the parent report.

Age and Net Worth

Regardless of size of net worth, a higher proportion of the younger than of the older operators carried life insurance on themselves or their families or on both (fig. 1 and table 3). As might be expected, the proportion of families in a particular age group having insurance increased with size of net worth. The relationship between net worth and "percentage insured," therefore, was direct, while the relationship between age and "percentage insured" was inverse.

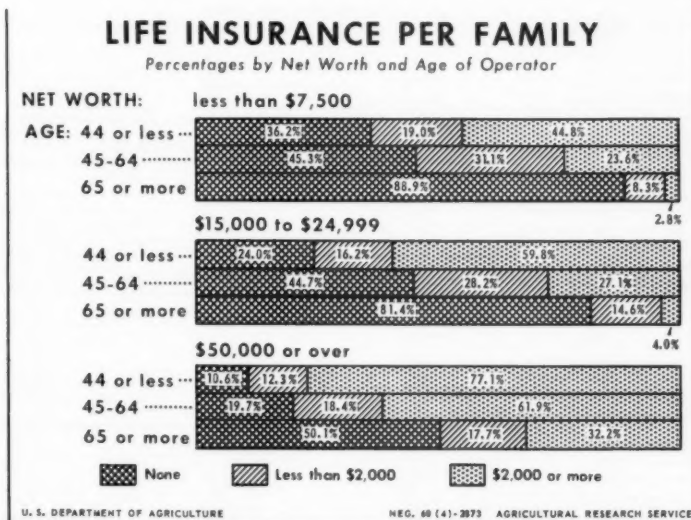


Figure 1

^{2/} U. S. Agricultural Research Service, Farm Economics Research Division, Farming in the Great Plains: A Financial and Tenure Survey, 1957. (In Process.)

Table 3.- Percentage of farm families with and without life insurance, and average per family for amounts of life insurance owned, net policy cash values, and financial assets, by net-worth and age of operator, Great Plains, 1957

LESS THAN \$7,500 NET WORTH				
Age of operator and insurance per family	Families	Average per family		
		Insurance		Financial assets
		Face amount	Net cash value	
	Percent	Dollars	Dollars	Dollars
Age 44 or less:				
No insurance-----	36.2	0	0	371
\$1 to \$1,999-----	19.0	1,327	276	669
\$2,000 and over-----	44.8	6,053	653	1,099
Total or average-----	100.0	3,861	345	754
Average, families with insurance:	---	6,054	541	971
Age 45 to 64:				
No insurance-----	45.3	0	0	490
\$1 to \$1,999-----	31.1	1,394	361	747
\$2,000 and over-----	23.6	3,910	675	1,304
Total or average-----	100.0	1,356	325	762
Average, families with insurance:	---	2,480	594	987
Age 65 and over:				
No insurance-----	88.9	0	0	357
\$1 to \$1,999-----	8.3	1,527	784	1,218
\$2,000 and over-----	2.8	3,489	1,124	1,124
Total or average-----	100.0	223	96	450
Average, families with insurance:	---	2,016	868	1,195
All age groups:				
No insurance-----	41.3	0	0	407
\$1 to \$1,999-----	21.9	1,358	327	710
\$2,000 and over-----	36.8	7,282	695	1,137
Total or average-----	100.0	2,976	327	742
Average, families with insurance:	---	5,071	558	977
\$7,500 TO \$14,999 NET WORTH				
Age 44 or less:				
No insurance-----	24.2	0	0	942
\$1 to \$1,999-----	19.9	1,393	345	1,149
\$2,000 and over-----	55.9	8,637	1,108	2,045
Total or average-----	100.0	5,106	688	1,600
Average, families with insurance:	---	6,733	907	1,810
Age 45 to 64:				
No insurance-----	38.6	0	0	1,098
\$1 to \$1,999-----	23.9	1,409	498	1,560
\$2,000 and over-----	37.5	5,600	1,332	2,356
Total or average-----	100.0	2,437	618	1,680
Average, families with insurance:	---	3,970	1,007	2,047
Age 65 and over:				
No insurance-----	73.9	0	0	1,259
\$1 to \$1,999-----	16.0	1,199	397	1,637
\$2,000 and over-----	8.1	4,273	810	1,070
Total or average-----	100.0	562	137	1,312
Average, families with insurance:	---	2,155	525	1,460
All age groups:				
No insurance-----	32.7	0	0	1,057
\$1 to \$1,999-----	21.0	1,386	404	1,331
\$2,000 and over-----	46.3	7,792	1,162	2,112
Total or average-----	100.0	3,900	623	1,603
Average, families with insurance:	---	5,791	925	1,868

-Continued

Table 3.- Percentage of farm families with and without life insurance, and average per family for amounts of life insurance owned, net policy cash values, and financial assets, by net-worth and age of operator, Great Plains, 1957 -Continued

\$15,000 to \$24,999 NET WORTH				
Age of operator and insurance per family	Families	Average per family		
		Insurance		Financial assets
		Face amount	Net cash value	
	Percent	Dollars	Dollars	Dollars
Age 44 or less:				
No insurance-----	24.0	0	0	1,409
\$1 to \$1,999-----	16.2	1,279	397	1,303
\$2,000 and over-----	59.8	8,829	1,280	3,336
Total or average-----	100.0	5,492	830	2,546
Average, families with insurance:-----	---	7,223	1,092	2,904
Age 45 to 64:				
No insurance-----	44.7	0	0	1,246
\$1 to \$1,999-----	28.2	1,517	536	1,891
\$2,000 and over-----	27.1	7,508	2,030	3,502
Total or average-----	100.0	2,461	701	2,039
Average, families with insurance:-----	---	4,450	1,267	2,680
Age 65 and over:				
No insurance-----	81.4	0	0	1,552
\$1 to \$1,999-----	14.6	1,168	636	2,201
\$2,000 and over-----	4.0	2,996	1,301	9,861
Total or average-----	100.0	304	145	1,983
Average, families with insurance:-----	---	1,633	781	3,868
All age groups:				
No insurance-----	38.3	0	0	1,365
\$1 to \$1,999-----	20.8	1,406	489	1,688
\$2,000 and over-----	40.9	6,419	1,479	3,446
Total or average-----	100.0	3,736	707	2,884
Average, families with insurance:-----	---	6,052	1,145	2,854
\$25,000 TO \$49,999 NET WORTH				
Age 44 or less:				
No insurance-----	18.9	0	0	2,302
\$1 to \$1,999-----	14.1	1,482	442	1,907
\$2,000 and over-----	67.0	8,784	1,266	3,674
Total or average-----	100.0	6,096	911	3,165
Average, families with insurance:-----	---	7,514	1,122	3,366
Age 45 to 64:				
No insurance-----	30.1	0	0	2,169
\$1 to \$1,999-----	28.1	1,347	562	2,662
\$2,000 and over-----	41.8	6,911	1,747	4,368
Total or average-----	100.0	3,270	889	3,234
Average, families with insurance:-----	---	4,676	1,271	3,683
Age 65 and over:				
No insurance-----	57.8	0	0	2,599
\$1 to \$1,999-----	23.5	1,209	636	4,080
\$2,000 and over-----	18.7	6,397	2,335	6,362
Total or average-----	100.0	1,479	585	3,650
Average, families with insurance:-----	---	3,502	1,366	5,088
All age groups:				
No insurance-----	28.8	0	0	2,309
\$1 to \$1,999-----	22.1	1,365	541	2,641
\$2,000 and over-----	49.1	7,888	1,515	4,082
Total or average-----	100.0	4,176	864	3,253
Average, families with insurance:-----	---	5,862	1,212	3,634

-Continued

Table 3.- Percentage of farm families with and without life insurance, and average per family for amounts of life insurance owned, net policy cash values, and financial assets, by net-worth and age of operator, Great Plains, 1957 -Continued

\$50,000 AND OVER NET WORTH				
Age of operator and insurance per family	Families	Average per family		
		Insurance		Financial assets
		Face amount	Net cash value	
	Percent	Dollars	Dollars	Dollars
Age 44 or less:				
No insurance-----	10.6	0	0	5,613
\$1 to \$1,999-----	12.3	1,630	496	7,083
\$2,000 and over-----	77.1	15,572	2,527	10,490
Total or average-----	100.0	12,208	2,010	9,554
Average, families with insurance:	---	13,648	2,247	10,020
Age 45 to 64:				
No insurance-----	19.7	0	0	9,507
\$1 to \$1,999-----	18.4	1,469	651	8,490
\$2,000 and over-----	61.9	11,283	3,401	15,948
Total or average-----	100.0	7,253	2,225	13,306
Average, families with insurance:	---	9,032	2,771	14,238
Age 65 and over:				
No insurance-----	50.1	0	0	13,331
\$1 to \$1,999-----	17.7	1,163	603	17,666
\$2,000 and over-----	32.2	7,705	4,072	41,652
Total or average-----	100.0	2,686	1,418	23,215
Average, families with insurance:	---	5,380	2,839	33,129
All age groups:				
No insurance-----	16.0	0	0	8,844
\$1 to \$1,999-----	18.0	1,456	617	9,476
\$2,000 and over-----	66.0	12,338	3,182	16,015
Total or average-----	100.0	8,404	2,211	13,690
Average, families with insurance:	---	10,004	2,632	14,613

The average amount of life insurance carried per family was also higher for the younger-operator families than for the older-operator families. The extent of the decrease in average face amount associated with increased age of operator, with net worth held constant, is shown in figure 2. Comparison of the same age grouping in the various net-worth groupings also indicates the extent of the increase in average face amount that is associated with increases in net worth. For example, the families with operators aged 65 and over and also with net worths amounting to less than \$7,500, had insurance averaging only \$2,016; whereas families whose operators fell in the same age grouping but with net worths amounting to \$50,000 and over, carried insurance averaging \$5,380. ^{3/}

The inverse relationship between age of operator and proportion of families having insurance is brought out more clearly in figure 3. Only about a third of the families with operators aged 65 and over carried any insurance. This third was divided evenly between those having less than \$2,000 worth of

^{3/} Averages based on data for families having insurance.

FAMILIES WITH LIFE INSURANCE

Amounts Owned by Net Worth and Age of Operator



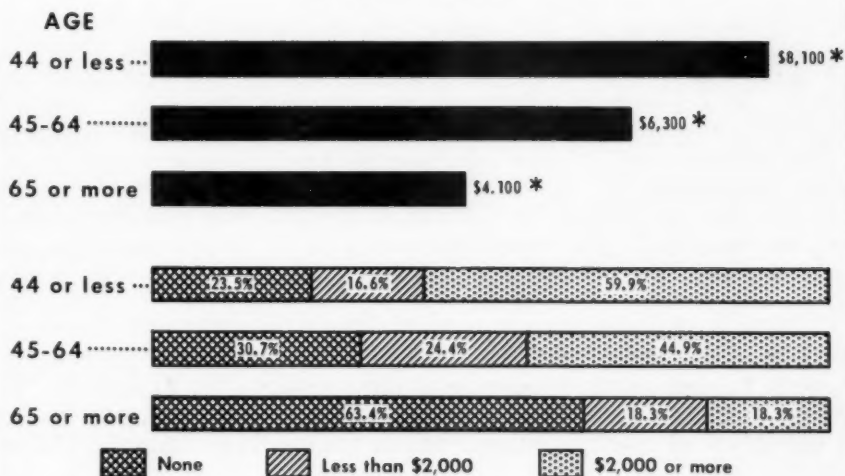
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Figure 2

LIFE INSURANCE PER FAMILY

By Age of Operator



* AVERAGE FOR INSURED FAMILIES

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Figure 3

insurance and those having that amount or more. The inverse relationship between age of operator and the average face amount of insurance policies carried per family is shown also in figure 3.

Financial assets.- The financial assets of families having life insurance averaged higher than for families without insurance (table 2). For families with net worths of \$15,000 or more, "other" financial assets (excluding net cash value of policies) of the insured farmers usually was as high or higher than the total financial assets of the uninsured families (table 3). The differential in financial assets associated with age was most pronounced for families having net worths of \$50,000 or more. This was true whether or not life insurance was owned.

The parent report, listed in footnote 2, shows that about as high a proportion of tenants as owners had life insurance. This was because tenants average younger than owners, and, as previously mentioned, a higher proportion of the families with younger operators tended to have insurance than was true for the older-operator families. Average insurance carried per family was also higher.

Apparently, the younger farmers were more insurance-minded than their elders. Many served in the Armed Forces during World War II and the Korean incident and, after leaving, kept their Government-sponsored life insurance in force. Also, except in drought areas, favorable conditions during the 1940's made it possible for many younger farmers to buy and add to their National Service Life Insurance. While many older farmers acquired Government life insurance through military service in World War I, some had to drop it during the depressed 1930's. Later, during the favorable 1940's, some farmers who needed more life insurance thought they could not afford to buy it at the higher rates applicable to their attained ages.

Life insurance has also been more aggressively sold in recent than in earlier years. Over a long period of time, the remuneration of agents has been increased from about 5 percent to as much as 40 percent or more of the first premium - with renewal commissions in addition. This high income from the sale of life insurance has opened an attractive field of full-time work to a growing sales force, and it may have been a chief factor in the growth of life insurance, particularly among younger farmers.

Perhaps changes in methods of selling also help to explain the greater amount of insurance carried by the younger farmers. When the older farmers were young, the usual sales approach stressed the economic effects resulting from death of the breadwinner. Modern sales methods treat life insurance as part of a larger financial plan to provide for education of children, liquidation of mortgages, and income after retirement. This approach has wider appeal than the earlier approach.

The net cash values of policies held by owners averaged higher than those of policies held by tenants. For families with insurance, the average net cash value of policies was about \$1,500, or about 19 percent of the face amount of the insurance carried. The cash value in relation to face amount was

highest for the (older) owner operators; it ranged from 24 to 26 percent in various regions of the Great Plains. For tenants, the range was from 14 to 18 percent.

Debt

With net worth held constant, there was no consistent relationship between amount of debt per family and average amount of life insurance carried per family. However, the financial assets of the insured families with no debt were considerably higher than for insured families with debt. This was true in general, regardless of the net-worth level of the family.

Number of Children 4/

For families with relatively small net worths (\$7,500 or less), not much relationship was found between the number of children in the family and (1) the proportion of families insured or (2) average insurance per family (table 4). 5/ For higher net-worth groupings, however, a direct relationship is apparent. The proportion insured and the average insurance per family increased with the number of children in the family.

The lack of relationship between either debt (as mentioned earlier) or number of children and amount of insurance carried by families with small net worths, indicates that two important reasons for buying life insurance (1) to pay off debts so as to leave the farm to heirs unencumbered, and (2) to provide for dependents, have had little bearing on the purchase of life insurance by those farmers in the Great Plains who may need it most. Apparently, they buy life insurance or it is sold to them with little regard for these important needs.

Type of Policy

More than half of the insurance carried was in limited-pay life policies; about a fourth was in ordinary life insurance; about 10 percent was in endowment insurance; and only about 5 percent was in the form of term insurance (table 5).

By age of insured.- The proportion of the total insurance carried as ordinary life insurance increased with the age of the insured; whereas the proportion in limited-pay policies declined. More of the insurance carried by the oldest age group (60 and over) was in the form of ordinary rather than limited-pay life insurance.

The younger insured persons also tended to have a higher proportion of their insurance in endowment policies than was true of older persons, but the tendency was not evident for all age groups.

4/ Number, regardless of age. The number of dependent children was not available from this survey.

5/ For this analysis (table 4), families with operators aged 44 or less were used. It was felt that most of the children in such families would be dependent.

Table 4.- Percentage of families having life insurance and average amount of insurance per family, for selected net-worth groupings, by number of children in family, based on families with operators aged 44 or less, Great Plains, 1957 ^{1/}

Net worth of operator and number of children	Families with insurance	Average insurance per family
	Percent	Dollars
\$7,500 or less:		
No children-----	57	2,975
1 or 2 children-----	83-73	4,316
3 or 4 children-----	53	3,769
5 children and over-----	67	2,829
\$15,000 to \$24,000:		
No children-----	64	4,200
1 or 2 children-----	75	4,818
3 or 4 children-----	77	5,531
5 children and over-----	95	7,781
\$50,000 and over:		
No children-----	67	4,569
1 or 2 children-----	91	14,636
3 or 4 children-----	90	10,764
5 children and over-----	100	24,333

^{1/} Based on every second family in the sample with operators aged 44 or less. These were used because most of the children in such families probably are dependent.

As might be expected, average policy net cash values were closely related to age of insured and type of policy. For a particular age group, the higher-premium policies (ranked from high to low as endowment, limited-pay, ordinary life, and term) had higher net cash values than the lower-premium policies. For a particular type of policy, average net cash values increase with age. Because of these higher values, the proportion of policies having loans outstanding against them was greater for the higher- than for the lower-premium policies. The proportion also was higher for policies on the older than on the younger lives.

Part of the premium paid in connection with the higher-premium policies goes for savings. These savings become substantial as the insured grows older. Apparently, these savings were used increasingly as security for loans as they became larger.

Family Members Insured

As stated earlier, about 82 percent of all life insurance carried by farm families in the Great Plains was on the operator's life. For families with children, about half of the family insurance was on the operator only, with no insurance on spouse or children (table 6). For such families, about a fourth

Table 5.- Average amount and net cash value of life insurance policies held by farm families, and percentage distributions of (1) total face amount in force and (2) number of policies having loans against them, by age of insured and type of policy, Great Plains

Age of insured and type of policy	Amount		Average net cash value per policy	Percentage of policies having loans against them
	Total	Average per policy		
	Percent	Dollars	Dollars	Percent
Age less than 20:				
Endowment-----	16.5	1,767	381	0
Limited pay-----	68.0	1,491	138	.6
Ordinary-----	13.5	1,800	62	0
Term-----	1.6	2,349	0	0
Other-----	.4	1,511	205	0
Total or average--	100.0	1,578	164	.4
Age 20 to 39:				
Endowment-----	8.0	3,256	909	5.5
Limited pay-----	67.6	3,028	484	4.2
Ordinary-----	20.2	4,143	271	1.6
Term-----	3.9	6,561	1	0
Other-----	.3	7,542	148	0
Total or average--	100.0	3,422	455	3.6
Age 40 to 59:				
Endowment-----	8.9	3,659	1,504	8.1
Limited pay-----	58.8	2,786	888	6.1
Ordinary-----	29.6	3,304	623	3.6
Term-----	2.2	5,640	1	0
Other-----	.5	2,164	507	0
Total or average--	100.0	3,075	844	5.5
Age 60 and over:				
Endowment-----	5.0	3,008	1,892	10.6
Limited pay-----	44.0	2,499	1,554	7.3
Ordinary-----	46.6	2,640	1,079	6.8
Term-----	3.2	3,568	0	0
Other-----	1.2	7,527	6,528	0
Total or average--	100.0	2,632	1,331	7.0
All ages:				
Endowment-----	9.7	2,998	1,046	5.3
Limited pay-----	56.4	2,589	644	4.5
Ordinary-----	28.5	3,286	560	3.3
Term-----	4.9	5,668	0	0
Other-----	.5	3,643	866	0
Total or average--	100.0	2,883	645	4.1

Table 6.- Percentage distribution of life insurance, average amount and average net cash value of insurance carried, and average financial assets per farm family, by number of children and insured members in household, based on families carrying life insurance, Great Plains, 1957

Number of children and family members insured	Amount of insurance	Average per family		
		Insurance		Financial assets
		Face amount	Net cash value	
	Percent	Dollars	Dollars	Dollars
No children:				
Operator only-----	80.5	5,372	1,324	9,171
Operator and spouse-----	18.6	7,157	2,253	9,492
Other combinations-----	.9	1/	1/	1/
Total or average-----	100.0	5,612	1,449	9,113
1 or 2 children:				
Operator only-----	44.3	5,744	1,205	6,285
Operator and spouse-----	16.7	8,058	2,106	9,459
Operator and children-----	14.8	9,094	1,503	5,700
Husband, wife, and children:	23.3	10,634	2,138	7,420
Other combinations-----	.0	1/	1/	1/
Total or average-----	100.0	7,181	1,503	6,799
3 or 4 children:				
Operator only-----	50.2	6,039	1,304	4,921
Operator and spouse-----	13.2	7,150	1,864	5,412
Operator and children-----	12.2	10,305	2,037	5,170
Husband, wife, and children:	22.7	11,662	2,196	5,183
Other combinations-----	1.7	1/	1/	1/
Total or average-----	100.0	7,319	1,557	5,113
5 children and over:				
Operator only-----	45.1	5,072	1,198	4,895
Operator and spouse-----	12.4	8,376	2,886	4,744
Operator and children-----	19.5	11,362	1,828	5,198
Husband, wife, and children:	21.4	14,426	3,178	5,138
Other combinations-----	1.6	1/	1/	1/
Total or average-----	100.0	7,188	1,663	4,897
All groups:				
Operator only-----	50.5	5,676	1,259	6,169
Operator and spouse-----	15.1	7,658	2,132	7,600
Operator and children-----	12.9	9,919	1,738	5,432
Husband, wife, and children:	20.2	11,504	2,288	6,257
Other combinations-----	1.3	1/	1/	1/
Total or average-----	100.0	7,020	1,537	6,276

1/ Not calculated.

of the insurance was on the operator and spouse or on the operator and children. Very little insurance was in effect on the spouse only or the children only with no insurance carried on the operator. As expected, the largest amounts of insurance per family were carried by families with husband, wife, and one or more children insured. This combination accounted for about a fifth of the face amount of insurance in force.

By family face amount.— Regardless of the amount of insurance carried per family, more than half the insurance carried tended to be in limited-pay life policies (table 7). Another one-fourth to one-third was carried as ordinary life insurance.

For families with less than \$10,000 worth of insurance, an average of less than 4 percent was in term policies. Such families could have had considerably more protection at the same cost, or equal protection at lower cost, if they had carried a higher proportion of their insurance in term, rather than in the higher premium, policies.

Table 7.— Percentage distributions of life insurance in force, by amount of insurance carried per family and type of policy, Great Plains, 1957

Total insurance per family (dollars)	Type of policy					
	Endow- ment	Limited pay	Ordinary	Term	Other	Total
	Percent	Percent	Percent	Percent	Percent	Percent
Less than 2,000---	6.4	61.9	29.2	2.1	0.4	100.0
2,000 to 4,999---	7.6	59.7	28.8	3.4	.5	100.0
5,000 to 9,999---	9.3	61.0	25.9	3.2	.6	100.0
10,000 to 14,999--	9.6	54.3	29.2	6.5	.4	100.0
15,000 to 19,999--	12.5	46.9	32.1	7.4	1.1	100.0
20,000 or over---	10.1	54.3	28.9	5.9	.8	100.0
Average-----	9.7	56.4	28.5	4.9	.5	100.0

Summary

It was found that debt and the number of children in families with low net worths had very little to do with the amount of life insurance carried by such families in the Great Plains. But age of operator and net worth were closely associated with whether or not life insurance was carried (percentage participation) and the average amount held by the family. The relationship between net worth and (1) percentage participation and (2) average amount held was direct. The higher the net worth, the higher was the percentage of participation and the higher the average amount held. The relationship between age and factors (1) and (2) was inverse. The higher the age of the operator, the smaller was the percentage of participation and the smaller the amount held.

The study also points up a need for insurance purchases and sales to be geared more closely to needs. For younger farmers, as for young people in other occupations, the chief advantage in carrying insurance usually is to pay off a mortgage and to provide income for dependents (under monthly income settlement options). To meet these needs when income and net worth are low, term insurance can provide the greatest protection for the smallest cost. The shorter the term, the lower is the annual premium. Each time a policy is renewed, it must be at a higher rate because of advancing age. But as dependents leave and needs diminish, part of the term insurance can be dropped to keep the total premium outlay about the same. Such insurance is often renewable (at the option of the insured) without a physical examination.

On the other hand, the older farmer who has had time to accumulate more net worth, whose debts are small, and whose children are on their own, may have more need for the higher premium policies (endowment and limited pay), which involve substantial savings and which therefore build up more cash value to be drawn upon for emergency use, for buying retirement annuities to supplement OASDI benefits, or for conversion into paid-up whole life insurance.

Life insurance is flexible. To make full use of this built-in flexibility, the farm family should review its insurance program periodically to see whether it meets current needs. Farmers should also remember that surrender values can be cashed, borrowed, or used to buy paid-up life insurance for a reduced amount or to keep the full amount of insurance in force for an extended term with no further premium payments. Moreover, an insured may use his policy's settlement options to specify how the money is to be paid to his beneficiary.

Tests made at Cornell University indicate that the use of safety seat belts reduces the injury rate in automobile accidents by almost half.

ASSESSMENT OF FARMLAND IN THE RURAL URBAN FRINGE

Peter W. House

Since World War II, the traditional privacy of the rural dweller has been disturbed by a phenomenon known as suburbanization. This intrusion has caused many of the distinct characteristics of city and country to be merged in an area known as suburbia. Along with the rise in the Nation's population and income, the urge for country living has become increasingly pressing. As more and more people have attempted to satisfy this urge, the influence of suburban expansion has been felt farther and farther from the urban nucleus.

This transition of the city dweller to the country causes the land he covets to rise in value in response to the old economic law of supply and demand. Land that was previously strictly agricultural now has a higher sale value than can be justified on the basis of agricultural production alone; it now has site value determined by its potential use for homes, shopping centers, and other nonfarm uses.

The problem does not end here. As some of the land in an area is developed, the surrounding agricultural land begins to command higher values because of the proximity of residential land. Demand for sewers, roads, sidewalks, and schools generated by the nearby development is also felt by the farmer in the form of higher tax rates. Higher tax rates, which are often coupled with increased assessments, culminate in a higher tax bill for the farmer. Owners of airports, golf courses, and other nonresidential land face the same problem.

Statistics on population trends give dramatic evidence of urban expansion into rural areas. Of the 15-million-person increase in the Nation's population from 1950 to 1956, 14 million, or almost 90 percent, were concentrated in metropolitan areas. Within Standard Metropolitan Areas, the rate of population growth was greatest in those areas farthest from the central city (table 1). In central cities, population increased by less than 5 percent. But in the urban areas outside central cities, the increase was 17 percent, and in the rural portions of the Standard Metropolitan Areas, population increased by 56 percent in this 6-year period. Meanwhile, the number of farms and the farm population continued to decline, and the decline likely was most rapid in metropolitan areas.

The 1956 National Housing Inventory gives further evidence of this tendency to move outside the metropolis. In 1956, of the 15.3 million dwelling units in Standard Metropolitan Areas but not in central cities, 3.1 million dwellings were constructed from 1940 to 1950; from 1950 to 1956, 5.0 million dwellings were constructed, of which 1.6 million were constructed in 1955 (23).

This influx of people into what had been farming areas has become a cause for concern to farmers, regional planning officials, and assessors. Farmers are concerned because of rising taxes, which make it impossible for them to continue farming profitably. Planners are concerned over the tendency

Table 1.- Civilian population by metropolitan and rural-urban residence, 1950 and 1956

Residence	April 1950	March 1956	Percentage increase, 1950-56
	Thousands	Thousands	Percent
Standard metropolitan area ^{1/-}	83,800	96,235	14.8
Central cities-----	49,138	51,428	4.7
Outside central cities-----	34,663	44,807	29.3
Urban ^{2/-} -----	23,712	27,751	17.0
Rural ^{3/-} -----	10,951	17,056	55.7

^{1/} As defined in the 1950 census.

^{2/} a. Places of 2,500 inhabitants or more, incorporated as cities.

b. Incorporated towns of 2,500 or more.

c. The densely settled urban fringe including both incorporated and unincorporated areas around cities of 50,000 or more.

d. Unincorporated places of 2,500 inhabitants or more outside the urban fringe.

^{3/} The rest of the population.

1958 Statistical Abstract (24, p. 16).

of taxation to encourage haphazard growth of suburbs, with its adverse effects on land use, costs of local services, and balanced community growth. Assessors are puzzled over methods of assessing this farmland for tax purposes.

The purpose of this report is to describe what some States have done in an effort to cope with the problems of taxing agricultural land that lies in the path of urban expansion. No attempt is made here, however, to evaluate these measures, either with respect to the desirability of the aims they seek to achieve or their effectiveness in achieving them.

Two types of approach may be distinguished. In an attempt to deal with the problem of evaluating fringe-area farmland, some States have issued special instructions in their assessors' manuals. The manuals attempt to deal with the problem within the framework of existing law. Their main concern is assessing this type of land accurately.

A different approach has been followed in a few States, where special assessment procedures have been enacted into law. These States seek to modify

the ad valorem principle as applied to such property. In this group are three States - California, Florida, and Maryland - which have enacted laws that require the assessing of agricultural lands on the basis of their use for agriculture alone regardless of other factors that may enhance their value.

California makes use of zoning as a criterion to be used in the assessment of agricultural lands.

"In assessing property which is zoned and used exclusively for agricultural or recreational purposes, and as to which there is no reasonable probability of the removal or modification of the zoning restriction within the near future, the assessor shall consider no other factors other than those relative to such use (2, p. 2948)."

Following enactment of this law, the Attorney General stated that in his view, the section merely restated an accepted standard of valuation in California and the assessor was still required to use his own judgment with regard to value (1).

In 1959, the law was broadened to include land zoned and used for airports (2, p. 2948).

In 1959, California also enacted a development rights law which, when coupled with the assessment law, further attempts to restrict the disorderly growth of suburbs.

"The Legislature hereby declares that it is necessary for sound and proper urban and metropolitan development, and in the public interest of this State for any county or city to expend or advance public funds for, or to accept by, purchase, gift, grant, bequest, devise, lease, or otherwise, the fee or any lesser interest or right in real property to acquire, maintain, improve, protect, limit the future use or otherwise conserve open spaces and areas within their respective jurisdictions (3, sec. 6952)."

Florida has also enacted a law pertaining to the assessment of agricultural lands.

"All lands being used for agricultural purposes will be assessed as agricultural lands upon an acreage basis, regardless of the fact that any or all of said lands are embraced in a plot of a subdivision or other real estate developments. Provided, 'agricultural purposes' shall include only lands being used in a bona fide farming, pasture or grove operation by the lessee or owner, or some person in their employ. Provided shed nurseries, or nurseries under cover, will not be termed agricultural and will be excluded

from this law. Lands which have not been used for agricultural purposes prior to the effective date of this law will be prima facie subject to assessment on the same basis as assessment for the previous year, and a demand for a reassessment of such lands for agricultural purposes will be subject to the severest scrutiny of the county assessor to the end that these lands will be classified property (5)."

This law took effect on July 1, 1959, without the governor's approval.

The Maryland law has stirred up much controversy. In 1956, a law was originally enacted (over a veto) to read:

"... Lands which are actively devoted to farm or agricultural use will be assessed on the basis of such use, and shall not be assessed as if subdivided or on any other basis (13)."

In 1957, the law was repealed and re-enacted to read:

"Lands which are actively devoted to agricultural use will be assessed on the basis of such use, and shall not be assessed as if subdivided or on any other basis. The State Tax Commission shall have the power to establish criteria for the purpose of determining whether lands subject to assessment under this sub-section are actively devoted to farm or agricultural use by the adoption of rules and regulations. Such criteria shall include, but shall not be limited to, the following:

1. Zoning applicable to the land.
2. Present and past use of the land including land under the soil bank provisions of the Agricultural Stabilization Act of the United States Government.
3. Productivity of the land including timberlands and lands used for reforestation.
4. The ratio of farm or agricultural use as against other uses of the land (14)."

The law became effective on June 1, 1957. On January 19, 1960, the Maryland Court of Appeals in the case of State Tax Commission vs. Gales, declared the law unconstitutional because it

"... fails to meet two requirements of a valid tax exemption - reasonableness and public purpose (12)."

A month after the opinion was released, a motion for reargument was granted and the opinion was recalled. However, on reargument, the original decision was reaffirmed.

In March 1960, the Maryland Legislature adopted a proposed amendment to the State Constitution stating

"... the Legislature may provide that land actively devoted to farm or agriculture shall not be assessed as if subdivided or on any other basis (16)."

This amendment is subject to approval by the voters at the general election in November 1960.

At the same time, legislation was adopted to repeal and re-enact Article 81 of the Annotated Code of Maryland and to clarify the public purpose to be served:

"Farm or agriculture use-lands which are actively devoted to farm or agricultural use shall be assessed on the basis of such use, and shall not be assessed as if subdivided or on any other basis it being the intent of the General Assembly that the assessment of farm land shall be maintained at levels compatible with the continued use of such land for farming and shall not be adversely affected by neighboring land uses of a more intensive nature. The General Assembly hereby declares it to be in the general public interest that farming be fostered and encouraged in order to maintain a readily available source of food and dairy products close to the metropolitan areas of the State, to encourage the preservation of open spaces as an amenity necessary to human welfare and happiness, and to prevent the forced conversion of such open space to more intensive uses as a result of economic pressures caused by the assessment of land at a rate or level incompatible with the practical use of such land for farming (15)."

The same law authorizes the State Tax Commission to establish criteria for judging whether farms

"which appear to be actively devoted to farm or agricultural use are in fact bona fide farms and qualify for assessment under this subsection (15)."

This bill was approved on March 23, 1960, and as of June 30, 1960, had not yet been subjected to court test.

Attempts at Legislation

Several other State legislatures have considered proposals designed to deal with this assessment problem, but have not enacted them.

A Senate Bill introduced in Oregon defines true cash value of real property used principally for farming as follows:

"(b) After December 31, 1960, market value thereof as real property to be used principally for farming as of the assessment date. True cash value in all cases involving real property used principally for farming shall be determined by methods and procedures in accordance with rules and regulations promulgated by the State Tax Commission, which rules and regulations shall not permit the assessment of real property used principally for farming as suitable for any higher or better use than farming (22). . . ."

A proposed Senate Joint Resolution of the State of Washington provided

"That lands which are actively devoted to farm or agricultural use shall be assessed on the basis of such use, and shall not be assessed on any other basis (25)."

A Senate Bill was introduced in 1959 in Connecticut which read:

"No municipality shall assess any land used in the occupation of agriculture at a higher value than the fair value of such land as used for agricultural purposes (4)."

A House Bill introduced in 1959 in Illinois stated:

"If used exclusively for agricultural purposes, . . . (any real property) shall be valued on the same basis as other agricultural land in the assessment district, regardless of its location (7)."

A Senate Bill introduced in 1959 from New Jersey states that:

"In the assessment of acreage which is actively devoted to agricultural use, such value shall not be deemed to include future value for subdivisions or nonagricultural use (20)."

Finally, in Nevada a Senate Bill introduced in 1960 states that:

"In assessing property which is zoned and used exclusively for agricultural or recreational purposes, and as to which there is no reasonable probability of the renewal or modification of the zoning restriction within the near future, the assessor shall consider no factors other than those relative to such use (18)."

Assessment Manuals

Various States have attempted to deal with the assessment problem in their assessors' manuals.

Those rural lands influenced by the proximity of new suburban developments have been described in various manuals as "rurban" land. This term, a composite of the two words rural and urban, describes how some of the assessment manuals handle this problem - that is, they have assessed this rurban property as part rural and part urban.

A review of the assessment manuals of selected States illustrates some of the difficulties surrounding this problem of rurban assessment, and the variety in recommended assessment methods. Some of the manuals use locality as the test of land value, others the use that has been, or is to be, made of the land. One manual suggests that assessors should consider the occupations of the occupants of the dwellings in the neighborhood as an indication of the use and value of the land.

The following selections taken from assessors' manuals of various States are designed for use by local assessors as a guide in handling rurban property.

The Missouri manual has a brief section on Rural and Unsubdivided Lands, which states:

"The standard unit valuation for rural and other nonindustrial unsubdivided lands is the acre. Exceptions to this rule obtain where unsubdivided lands front on a business or main thoroughfare, in which cases the applicable standard unit front foot bases apply (9, p. 25)."

The Minnesota manual recognizes that a problem exists, for it states:

"Whether real property is 'rural in character and devoted or adaptable to rural use,' is a question of fact which must be determined in the first instance by the assessor. Obviously, if the property is a farm surrounded by other farms, it is both rural in character and devoted to rural use. On the other hand, if the property is residential located in the middle of a builtup residential section in a city or village, it is neither rural

in character nor devoted to rural use. These cases will give the assessor no difficulty. It is the cases between these two extremes which will give the assessor trouble, and in the determination of which he will have to use sound discretion and judgment (17, pp. 77-78)."

The manual goes on to suggest that value may be determined on the basis of the general character of the neighborhood, and refers specifically to the occupations of the residents. The manual cites, as

"One of the best expressions by a court on the subject of the distinction between 'rural' and 'urban' real estate . . . the Pennsylvania Supreme Court in . . . City of Philadelphia vs Brady (308 Pa. 135, 162 Atl. 173).

As regards liability for assessment, whether particular property is 'rural' or 'urban' depends on character of locality, streets, lots, improvements, and market value of property and neighboring property. In such case, if the buildings and improvements in the neighborhood are few and scattered, if they partake of the character of the country rather than of the city or town, and are occupied by persons engaged in rural pursuits, the locality should be considered 'rural', but, if the houses and improvements partake of the character of the city or town, and are mainly occupied by persons engaged in city pursuits, the locality should be considered as 'urban' and not 'rural' (17, p. 78)."

The New York State manual has touched on this problem from two viewpoints. First, it lays down criteria for identifying rural residential land.

"Residence Land

"Land in connection with rural residences is usually small in area, judged by rural standards. Usually from 1/4 acre to 5 acres will be regarded as sufficient for the purpose and land in excess of that amount will have a value only slightly greater than its agricultural value. Frontage on the highway has an influence on land value, varying in amount with the presence or absence of several factors."

The discussion goes on to describe the factors that govern values of rural residences.

"The factors which affect residential land values in rural areas are mainly related to location. Among others, are commuting distance to employment, rustic environment, character of surrounding properties, view, access to public utilities and transportation, all weather roads, distance to schools and churches, and social environment"

Farmland in the same area, however, must be assessed by different standards.

"The underlying land value of isolated rural residence properties will usually show much higher acreage values than nearby farm acreage. This is because a residential purchaser will pay at a comparatively high acreage rate for only so much land as he needs for his residential use, but will not pay much more for land in excess of his needs Isolated residential properties may be valued on an acreage basis, but acreage values will usually be considerably higher than that of surrounding farm lands (21, pp. 30-31)."

New York also gives instructions to its assessors on how to handle land in the process of being developed.

"Large Tracts of Land Awaiting or in Process of Development"

"The value of tracts of land capable of subdivision is of course dependent upon demand, present or potential. Market data and comparison of market price must be the principal source from which unit values in terms of unit foot or acreage values are developed. In suburban areas frequently the frontage of such tracts along the main street or highway will be in more or less demand, but for the rear areas there is no present economic justification for development. If adjacent properties along the street are appraised on a unit foot basis, comparable unit foot values may be properly applied to the frontage along the highway of the large tract. Rear areas should be appraised at a proper acreage value. It is completely fallacious for the appraiser to lay-out and appraise hypothetical lots and streets in rear areas, in advance of actual demand for such lots. Moreover, it should be noted that the sale of a relatively small piece of highway frontage for a gas station or stand of some kind does not necessarily establish a value for all land along such highway (21, p. 23)."

The Louisiana manual has a short section addressed to its assessors on suburban land.

"SUBURBAN LAND

"Suburban land, whether in cultivation or not, is such land as has an enhanced value by reason of its proximity to cities, towns or villages, and assessors must fix values accordingly.

"The Commission feels that this explanation will serve as a guide to assessors, who are requested to carefully value at proper worth this class of land, as it became apparent in the submission of abstracts in past years that much suburban land was improperly classed as agricultural land.

"Suburban land as above mentioned does not apply to lands within the limits of incorporated cities or towns.

"Specific instructions on land values have been given to each assessor covering values of land in his particular parish (11, pp. 7-8)."

The State of Washington instructs its assessors:

"Typical sized farms lying within city limits, small tract, or subdivided areas should be valued on a soil group per acre basis as any rural property would be. There may be additional value to this farm property due to the possible use as residential, commercial, or industrial purposes. To appraise this condition, give a small tract factor and/or give a lot value to a portion of the farm Property in rural areas up to three acres in size should be treated as lots and value should be determined as the urban lots are However, distance from trading centers, type of roads, and other deductible factors may be needed to equalize this rural land with urban property (26, pp. 29-31)."

Finally, four States have specifically spelled out in their manuals a method for dealing with suburban land. The methods of the four - Iowa, Illinois, New Jersey, and Kentucky - are listed below. Although the approach to the problem is similar in each instance, differences appear in the amount of land to be classified on an acreage basis and the amount of land necessary to be classified as a farm, the latter varying from more than 20 acres in Illinois to more than 40 acres in Iowa and Kentucky.

The New Jersey manual says:

"Establishment of rurban base unit land values combines both urban and rural procedures. The base units are front foot and acre. The rural and urban land value advisory committees give their opinions of the value per unit front foot on the highway and the acre value of land contiguous to the frontage. All customary market data in the nature of sales, asking prices and offers are also employed as evidences of value.

"Usually a frontage of 100 feet on the highway by a depth of 200 feet (approximately 1/2 acre) is given a unit front foot value. The balance up to 30 acres is given the classified acre value increased by a small tract additional value factor. Where a tract contains more than 30 acres it is considered a farm. This breaking point of 30 may be increased or decreased depending on local sales data. Corrections or adjustments are made for tracts on paved roads and for piped water and public sewer facilities which may be available.

"Examples of Areas Where Rurban Land Values Do Not Apply

"The rurban rules do not apply to thickly settled unincorporated communities or outlying subdivisions. Unit front foot land values are developed by the appraiser for such areas (19, pp. 46-47)."

The Kentucky manual states that:

"Rurban tracts are usually two acres or less located near a city or village and are desirable locations for residential, commercial or industrial property. The value of these tracts is generally much higher in relation to the regular per acre value assigned to rural tracts. Several methods may be used in attempting to reflect the true value of these tracts. Some of these are as follows:

- a. Assign a value to the first one-half acre as a building site; the remaining portion will be assigned a value based on the land class of the remaining portion; the first one-half acre is subtracted from the best land class in the tract.

- b. Assign a front foot value to these rurban tracts if they front on a main road or highway. This value may apply to depth of 200 feet then use regular land class value for the remainder.
- c. Apply the small tract rule as explained under the section Appraisal of Small Tracts.

"Appraisal of Small Tracts

"Appraisal of small tracts is a special problem, and as such requires special treatment. As a guide thirty-two and one-half acres may be considered the breaking point between a small tract and a farm. This will vary within counties in the State (10, p. 42)."

The handling of rurban properties in the Illinois manual differs from that in the New Jersey manual (previously discussed) only in that the small-tract rule applies only to properties having less than 20 rather than 32 1/2 acres.

"Usually a frontage of 100 feet on the highway by a depth of 200 feet (approximately 1/2 acre) is given an acre value (perhaps double the value for farming purposes) and the balance, if any, up to 20 acres is given the value of classified rural land. If the tract contains more than 20 acres, it should be considered a farm (6, pp. 52-53)."

The procedure recommended in the Iowa manual is the same, except that 40 acres is the recommended breaking point.

"Usually a frontage of 100 feet on the highway by a depth of 200 feet (approximately 1/2 acre) is given the classified acre value increased by a small tract additional value factor. Where a tract contains more than 40 acres, it is considered a farm. This breaking point of 40 may be increased or decreased depending on local sales data. Corrections or adjustments are made for tracts on paved roads and for piped water and public sewer facilities which may be available (8, pp. 104-105)."

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More than a fourth (27 percent) of the farm residents contacted in a recent survey had sustained some kind of injury during the preceding year, and nearly a fifth (18 percent) had sustained injuries serious enough for time to be lost from work. These were the principal findings in the first annual report on the National Health Survey, based on nonfatal injuries from July 1, 1957, through June 1958, conducted by the Public Health Service, U. S. Department of Health, Education and Welfare.

Home accidents were highest (37 percent), followed by work accidents (20 percent), and motor vehicle accidents (11 percent). The remaining accidents (32 percent) were from miscellaneous or unknown causes or agencies. Although farm people were injured less frequently than nonfarm people, their injuries tended to be more severe.

MORE SOCIAL SECURITY BENEFIT PAYMENTS IN RURAL AREAS

John C. Ellickson

Benefit payments from the Old-Age and Survivors Insurance program (OASI) increased from less than \$1 for each person in the United States in 1940, to about \$6 in 1950 and about \$48 in 1958. Payments to beneficiaries were concentrated in urban areas until 1950, as insurance coverage was limited to wage and salary occupations in industry and commerce. Effective in 1951, coverage was extended to more occupations and by 1953, many of the older persons in these newly covered groups were receiving retirement benefit payments. In rural areas, the more important extensions of coverage were to nonfarm self-employed persons effective in 1951, to hired farmworkers effective in 1951 and broadened in 1955, and to farm operators effective in 1955 and extended to some farm landlords in 1956.

The increase in the number of benefits paid, especially in rural areas, following these extensions of coverage is striking. For example, it has been estimated that in the urban States of Rhode Island, New Jersey, and Connecticut, the number of retirement beneficiaries increased from about 1 in 4 persons aged 65 years and over in 1949 to 7 in 10 of these persons in 1958. In the more rural States of Kansas, Nebraska, and North Dakota, the corresponding proportions of aged persons receiving payments increased from about 1 in 12 in 1949 to more than 5 in 10 in 1958. These comparisons are based on census estimates of population by States, for intercensal years (table 1).

Table 1.- Number of aged beneficiaries receiving monthly benefits per 1,000 population aged 65 and over, specified States, at end of 1949, 1953, and 1958 ^{1/}

State	Beneficiaries aged 65 and over per 1,000 population, December		
	1949	1953	1958
	Number	Number	Number
Rhode Island-----	278	480	719
New Jersey-----	229	427	712
Connecticut-----	247	429	701
Nebraska-----	83	225	576
Kansas-----	97	249	569
North Dakota-----	46	152	565
United States-----	160	334	603

^{1/} From table 78, Annual Statistical Supplement, 1958, Social Security Bulletin, Social Security Administration, U. S. Department of Health, Education and Welfare.

The use of OASI data on the benefits paid in each county in the Nation permits a more precise comparison of the effects of changes in coverage on farm and city communities. Because population estimates for intercensal years are not available by counties, the following analysis is based on data from the 1950 Census of Population. Assuming that migration from farms to cities continued in the 1950's as in the 1940's, using 1960 census data would increase the calculated per capita rate of social security payments to rural counties and decrease the rate to urban areas.

Data for Kansas, Nebraska, and North Dakota were selected on the assumption that levels of industrial employment in the rural counties of these States are relatively low compared with those in most other rural areas.

All counties in these States were classified into six groups according to the ratio of rural-farm to total population. In the urban group of counties, the average number of farm residents was a little above 5,000 compared with 100,000 nonfarm residents. At the other extreme, for counties more than 60 percent rural-farm, the average number of farm residents was 3,000 compared with only 1,600 nonfarm residents. From 1940 to 1950, the urban group of counties increased in population by 27 percent, whereas the more rural counties decreased by 12 to 16 percent. The proportion of total population aged 65 years or more in 1950 was highest (10.7 percent) in the middle groups, lower (8.3 percent) in the urban counties, and lowest (7.4 percent) in the most rural counties. The low proportion of the aged in the most rural counties is presumably related to the small number of towns in which older persons tend to be concentrated (table 2).

The number and amount of OASI payments were summarized for each group of counties. This was done for payments in December 1955, before farm operators had been covered by Social Security long enough to qualify for payments, and for February 1959, after many older farmers had the opportunity to work under Social Security long enough to qualify.

The percentage increase in number of payments was directly related to the proportionate rural-farm population - ranging from 50 percent for the urban group of counties to 234 percent for the more rural counties. Part of this increase came from coverage of farm operator earnings. Part resulted from changes in the Social Security Law, which increased the size of benefit payments, and part from a more complete coverage of earnings, for example, those of part-time farmers. The increase in average size of payment was also directly related to the proportionate rural-farm population - ranging from 19 percent for urban counties to 31 percent for the more rural counties (table 3).

The number and amount of OASI monthly benefit payments going to each group of counties were each divided by the total population in 1950. On a per capita basis, monthly payments to urban counties were more than four times as high as they were in rural counties in 1955. By 1959, substantial increases had occurred in all groups of counties, but the disparity between the urban and most rural counties had been eliminated or reduced to less than 2 to 1 (table 4).

Table 2.- Total population: Percentage change since 1940, and percentage aged 65 years of age and over, counties classified by proportion of rural-farm population, all counties, Kansas, Nebraska, and North Dakota ^{1/}

Rural-farm as a percentage of total population (percent)	Counties	Population in 1950			
		Total	Change from 1940	Percentage of total population	
				Rural-farm	65 years of age and over
	Number	Thousands	Percent	Percent	Percent
Under 15-----	10	1,055	27	5	8.3
15 to 24-----	27	750	7	19	9.4
25 to 34-----	37	566	-1	30	10.7
35 to 49-----	90	834	-8	42	10.7
50 to 59-----	58	511	-12	54	10.7
60 and over----	29	134	-16	66	7.4
All counties--	251	3,850	2	28	9.7

^{1/} Derived from 1950 census data.

Table 3.- Number of OASI benefit payments, average monthly payment, and percentage change, counties classified by proportion rural-farm, Kansas, Nebraska, and North Dakota, December 1955 and February 1959 ^{1/}

Rural-farm as a percentage of total population (percent)	Number of payments		Percentage increase ^{2/}	Average payment		Percentage increase ^{2/}
	December 1955	February 1959		December 1955	February 1959	
	Thousands	Thousands	Percent	Dollars	Dollars	Percent
Under 15-----	55.6	83.2	50	52.38	62.14	19
15 to 24-----	35.1	61.6	75	48.13	57.67	20
25 to 34-----	25.1	48.8	95	46.17	55.82	21
35 to 49-----	30.8	71.8	133	44.25	54.97	24
50 to 59-----	15.5	41.1	166	42.31	53.77	27
60 and over----	2.1	7.0	234	41.31	54.32	31
All counties--	164.2	313.5	91	47.90	57.36	20

^{1/} Bureau of Old-Age and Survivors Insurance, Social Security Administration, U. S. Department of Health, Education, and Welfare.

^{2/} Calculated from unrounded figures.

Table 4.- Percentage of total population receiving OASI payments, and monthly rate of payments per capita, Kansas, Nebraska, and North Dakota, December 1955 and February 1959 ^{1/}

Rural-farm as a percentage of total population (percent)	Percentage of total population receiving benefit payments		Amount of payments, monthly rate per capita for total population	
	December	February	December	February
	1955	1959	1955	1959
	Percent	Percent	Dollars	Dollars
Under 15-----	5.3	7.9	2.76	4.90
15 to 24-----	4.7	8.2	2.25	4.74
25 to 34-----	4.4	8.6	2.04	4.81
35 to 49-----	3.7	8.6	1.63	4.73
50 to 59-----	3.0	8.0	1.28	4.32
60 and over-----	1.6	5.2	.65	2.85
All counties-----	4.3	8.1	2.04	4.67

^{1/} Based on 1950 population.

The evidence in the preceding tables indicates that the increased coverage by OASI in 1955, especially of farm operators, has considerably reduced the inequalities in numbers and amounts of benefit payments to rural and urban counties. The large increase in number of OASI payments to rural counties by February 1959, occurred mainly because such a large proportion of farmers were at or near 65 years of age that many could qualify for benefits in only 2 or 3 years. But this was not the case for disability insurance.

The Social Security Act was amended in 1956 to provide insurance protection to insured workers aged 50 to 64 who became totally and permanently disabled. The first payments under this part of the Social Security program were made in July 1957. The amendments provided that these payments could be made only if the insured worker had earned coverage for half of the quarters in the 10 years preceding the onset of the disability. Farmers who earned their first coverage in 1955 could not become eligible for disability benefit payments until the last quarter of 1959. As a consequence of these stricter provisions, the disability payments were as much concentrated in the urban counties in February 1959 as the OASI payments had been in December 1955. Average disability payments were also smaller in the more rural counties (table 5).

Further gains may be expected in the per capita rate of Social Security payments to rural areas in the next few years, but less rapidly than in the last 5 years. Many farmers now have the required 5 years of coverage and may

Table 5.- Disability insurance: Number and average size of disability payments related to total population, counties classified by proportion rural-farm, Kansas, Nebraska, and North Dakota, February 1959 ^{1/}

Rural-farm as a percentage of total population (percent)	Disability payments		Amount of payments	
	Payments	Percentage of total population	Average	Total pay- ments, monthly rate, per capita ^{2/}
	Number	Percent	Dollars	Dollars
Under 15-----	1,848	0.18	78.80	0.14
15 to 24-----	1,131	.15	74.94	.11
25 to 34-----	696	.12	74.49	.09
35 to 49-----	823	.10	70.45	.07
50 to 59-----	292	.06	75.27	.04
60 and over-----	49	.04	64.41	.02
All counties---	4,839	.13	75.50	.09

^{1/} See footnote 1, table 3.

^{2/} 1950 population.

become eligible for disability benefits. Many farmers are relatively old and their retirement rates will be higher than for other occupational groups. It now seems probable that the per capita rate of payments in the rural counties of the 3 States studied will be substantially higher than in the urban counties.

According to information from the Institute of Life Insurance, slightly more than 4 percent of the total death benefits paid by life insurance companies during the first half of 1959 were attributable to motor vehicle traffic fatalities. For the corresponding period of 1958, the comparable figure was 3.7 percent.

TAXATION OF FARM PROPERTY IN HAWAII

McGehee H. Spears

The admission of the Territory of Hawaii as the 50th State has led to heightened interest in the Hawaiian people and their government. It is the purpose of this paper to examine one aspect of the governmental process - the taxation of property in Hawaii and the financing of local governments. In addition, summary data furnished by the Department of Taxation, State of Hawaii, make it possible to examine the 1959 tax levy on agricultural lands devoted to the three major types of agriculture in the islands - pineapple, sugarcane, and ranching.

Compared with other States, Hawaii has a unique tax system. It incorporates all major kinds of taxes found in the Continental United States - income (both personal and corporate), sales, excise, property, inheritance, and others. However, virtually the entire tax system and the power of taxation are vested in the State government. 1/

Even the property tax is administered almost entirely by the State. The State assesses property for taxation and collects all taxes levied. For administrative purposes, the State is divided into four divisions corresponding to the four counties. Property tax rates are fixed annually by the Board of Supervisors of each county. The maximum tax rate cannot exceed \$18 per \$1,000 of assessed valuation. 2/ There is no statewide levy on property for State revenue. Taxable property in Hawaii consists of real property (land and buildings) only. The personal property tax was repealed in 1947. 3/

In 1959, the net assessed valuation of real property totaled \$1,152 million (table 1). 4/ The gross valuation totaled \$2,212 million. 5/ Property is assessed at 70 percent of "fair market value." 6/ In the aggregate, the taxable valuation of real property in Hawaii is comparable to that of several continental States. In 1956, the latest year for which data are available, the taxable valuation of general property (real and personal) totaled around \$1 billion in 8 other States: Arizona, Arkansas, Maine, Mississippi, New Hampshire, New Mexico, South Carolina, and Vermont. In 1956, the majority of States had a property tax base of well above \$1 billion, and

1/ Fase, E. W., Taxation in the Hawaiian Islands. Paper delivered before the National Association of Tax Administrators Annual Convention, July 8-11, 1959, Buffalo, New York, p. 3.

2/ Ibid., p. 5.

3/ Commerce Clearing House, State Tax Guide - All States.

4/ First Annual Report of the Director of Taxation, 1959. State of Hawaii.

5/ Real Property Tax Valuations for the calendar year 1959. Department of Taxation, State of Hawaii, June 4, 1959.

6/ Fase, Taxation in the Hawaiian Islands, p. 5. As a matter of administrative policy 70 percent of "fair market value" has been set as the objective in making assessments.

Table 1.- Taxable valuation and property taxes returned by Hawaii to counties, 1959

County ^{1/}	Tax division	Taxable valuation		Tax returned	
		Amount	Percent	Amount	Percent
		1,000 <u>dollars</u>		1,000 <u>dollars</u>	
City and county of Honolulu-----	1	935,702	81.2	14,208	79.6
Maui-----	2	74,984	6.5	1,249	7.0
Hawaii-----	3	94,734	8.2	1,564	8.8
Kauai-----	4	46,977	4.1	829	4.6
Total ^{2/} -----	---	1,152,398	100.0	17,851	100.0

^{1/} Counties include the following islands: Honolulu - Oahu; Maui -- Lanai, Maui, Molokai; Hawaii - Hawaii; Kauai - Kauai, Niihau.

Valuation data from summary tabulation of real property tax valuations for calendar year 1959. Tax collections from First Annual Report, Department of Taxation, State of Hawaii, 1959, p. 15.

^{2/} Figures do not add to totals because of rounding.

7 States had a base of more than \$10 billion. ^{7/} For comparative purposes, the net assessed value of real property in Hawaii totaled more than \$1 billion in 1957. ^{8/}

The taxable valuation of real property (land and buildings) in Hawaii is net of certain tax-exempt property - Federal; State and county properties; and religious, charitable, educational, and hospital properties. Along with many other States, Hawaii extends a property tax exemption to certain eligible homeowners. Property owned and occupied as a home is eligible for an exemption of the first \$1,500 of the total valuation, plus half the remaining value; the maximum exemption cannot exceed \$5,000. Homes owned and occupied by totally disabled veterans are completely exempt. Exemptions of \$10,000 are allowed to persons suffering from Hansen's disease and to those with impaired vision. ^{9/}

^{7/} Taxable Property Values in the United States, 1957, Census of Governments, pp. 22-33.

^{8/} Twenty-Sixth Annual Report of the Tax Commissioner, 1948, p. 12.

^{9/} Commerce Clearing House, State Tax Guide - All States.

In Hawaii, property tax revenue is returned to the counties. County government in Hawaii is the principal agent of local government; such governmental units as townships, school districts, and municipalities do not exist. 10/

The property tax occupies a less important role in the tax system of Hawaii than in the continental States. In 1957, property taxes accounted for 11 percent of the total general revenue of Hawaii and 16 percent of total tax collections. For continental United States, the comparable percentages were 34 and 45 percent in that year. No State obtained a smaller percentage of State and local general revenue from its property tax than did Hawaii. 11/

In 1959, property taxes, general excise taxes, and fuel tax collections by the State of Hawaii totaled \$17.8 million, \$59.0 million, and \$13.7 million, respectively. 12/ As mentioned above, property taxes are returned to the local governments which receive substantial amounts from the other two tax sources. Counties also obtain revenues from motor vehicle weight taxes, flat-rate public utility taxes, liquor, and various other licenses.

In 1959, general excise tax and fuel tax revenues allocated to the counties totaled \$16,067,899 and \$4,721,645, respectively. The amount of general excise taxes returned to county governments represented roughly one-fourth of all State general excise tax collections. The county governments' share of this tax is distributed by the following formula: City and County of Honolulu, 55 percent; County of Maui, 15 percent; County of Hawaii, 20 percent; and, County of Kauai, 10 percent. 13/

The counties of Hawaii are authorized by the State to tax gasoline. The State also taxes gasoline. In 1959, the county gasoline tax, collected by the State, was distributed as follows: City and County of Honolulu, 75 percent; County of Maui, 11 percent; County of Hawaii, 8 percent; and County of Kauai, 6 percent. 14/

Farm Property Taxes

The 1950 Census of Agriculture reported a total of 5,750 farms in Hawaii; land in farms totaled 2,432,069 acres. Hawaiian agriculture is dominated by a small number of large farms. In 1950, 184 farms accounted for more than 95 percent of the total acreage in farms. 15/

10/ Fase, Taxation in the Hawaiian Islands, p. 3.

11/ Compendium of State Government Finances, 1957 Census of Governments, pp. 29 and 35.

12/ First Annual Report, pp. 13.

13/ Ibid., p. 13, 14, and 15.

14/ Ibid., p. 15.

15/ Statistical Abstract, 1959, p. 915.

The basic unit of organization on these large farms, which is particularly applicable in the cultivation of sugarcane and pineapples and livestock enterprises, is the plantation or ranch. These units consist of all lands controlled by the plantation or ranch - cultivated and idle cropland and pasture, central offices, roads, employee housing, and so on. ^{16/}

The number of farms of less than 20 acres totaled 4,537 in 1950. These farms represent almost 80 percent of the total number but account for only 1 percent of the agricultural acreage. The ensuing discussion is concerned with taxes levied on small owner-operator farms, as well as on plantations and ranches that have assessed acreage under the Department of Taxation's land classification of pineapple, sugarcane, and pasture.

For the purpose of ascertaining taxes levied on this farm property on a basis comparable with other States, a distinction must be made between taxes levied on acreage actually used for cultivation of pineapples and sugarcane and for pasturelands actually grazed, and buildings and land not directly related to these agricultural uses - processing plants and mills, water reservoirs, employee housing, company offices, and so on. Table 2 presents data applicable to the former category of farm property and table 3 refers to the latter kinds of property.

In 1959, the number of acres assessed for taxation devoted to the cultivation of pineapples and sugarcane and including ranch and pasture lands totaled 1,189,043 acres (table 2). This acreage includes land privately owned and land publicly owned but leased by farmers, plantation managers, and ranchers. Public lands leased and used for agricultural purposes are subject to assessment and taxation, as is privately owned real estate. The lessee pays the tax. ^{17/} More than 75 percent of this acreage is ranch and pasture land; 18 percent is devoted to cultivation of sugarcane; and the remaining 71,041 acres are devoted to growing pineapples.

The third tax division (Hawaii County and Island) has almost 65 percent of the total assessed ranch and pasture acreage and more than 40 percent of the total assessed acreage used for cultivation of sugarcane. The famous Parker ranch is located in this tax division. More than half of the total assessed acreage used for pineapple cultivation is located in the second tax division (Maui County comprising the islands of Lanai, Maui, and Molokai).

The assessed value of farmland devoted to these three major types of agricultural production totaled \$85,064,888 in 1959. More than 60 percent of

^{16/} Philipp, P. F., Hawaii's Problems and Many Assets, Yearbook of Agriculture, 1958, p. 441.

^{17/} Letter from Department of Taxation, State of Hawaii, April 12, 1960.

Table 2.- Assessed valuation, total tax levy, average assessed value per acre and average tax per acre, major types of agricultural land, Hawaii, 1959 ^{1/}

County and type of land	Assessed acreage	Assessed value of land	Tax levy	Average assessed value per acre	Average tax per acre
	<u>Acres</u>	<u>1,000 dollars</u>	<u>1,000 dollars</u>	<u>Dollars</u>	<u>Dollars</u>
Pineapple:					
Honolulu---	22,884	9,334	141	407.89	6.18
Maui-----	40,909	10,997	182	268.83	4.45
Hawaii-----	---	---	---	---	---
Kauai-----	7,248	1,684	30	232.32	4.07
Total 2/-:	71,041	22,016	353	309.90	4.97
Sugarcane:					
Honolulu---	32,101	14,521	220	452.35	6.85
Maui-----	42,288	14,811	245	350.23	5.80
Hawaii-----	86,847	12,239	202	140.93	2.33
Kauai-----	47,547	13,433	235	282.52	4.95
Total 2/-:	208,783	55,003	903	263.45	4.32
Ranch and pasture:					
Honolulu---	22,448	812	12	36.18	.55
Maui-----	187,645	2,154	36	11.48	.19
Hawaii-----	583,166	4,101	68	7.03	.12
Kauai-----	115,960	978	17	8.43	.15
Total 2/-:	909,219	8,046	133	8.85	.15
Summary:					
Honolulu---	77,433	24,667	374	318.56	4.83
Maui-----	270,842	27,963	463	103.24	1.71
Hawaii-----	670,013	16,340	270	24.39	.40
Kauai-----	170,755	16,095	282	94.25	1.65
Total 2/-:	1,189,043	85,065	1,389	71.54	1.17

^{1/} Includes assessed acreage privately owned and leased from private and public ownership used in cultivation of pineapples and sugarcane, and ranch and pasture operations. Excludes land and buildings not related to cultivation or livestock operations, such as the owner-operator's home and plantation and ranch buildings, employee housing, stores, company stores, sugar mills, pineapple canneries, and so on.

^{2/} Figures do not add to totals because of rounding.

Summary tax data tabulations furnished by Department of Taxation, State of Hawaii.

this total comprised the assessed valuation of land devoted to sugarcane. The assessed valuation of pineapple acreage was the next most important category of farmland; it represented 26 percent of the total assessed value. The taxable valuation of ranch and pasture acreage represented about 10 percent of the total valuation.

The average assessed valuation per acre varied widely among these different types of agricultural land and taxing districts or counties. Acreage devoted to the cultivation of pineapples averaged \$310 per acre in 1959 as compared with \$263 for acreage in sugarcane and \$9 for grazing acreage. In the County of Honolulu, the assessed value of land in pineapples and sugarcane averaged above \$400 per acre. At \$36 per acre, the value of grazing land was considerably lower but still higher than the average of similar property in the other counties. Pineapple and sugarcane acreage in the Counties of Maui, Hawaii, and Kauai was assessed an average of around \$200 per acre. The assessed value of agricultural lands in these three major types of farming averaged about \$72 per acre.

Taxes levied on pineapple, sugarcane, and ranch lands totaled \$1,388,645 in 1959. About 90 percent of the tax was levied on acreage devoted to pineapples and sugarcane, and almost two-thirds of it originated from the first and second tax divisions - the islands of Lanai, Maui, Molokai, and Oahu. Taxes levied on farmland averaged \$1.17 per acre in 1959. The average tax per acre varied widely on land devoted to these different agricultural uses and among the tax divisions or counties. The average tax levied on acreage devoted to the growing of pineapples was \$4.97 per acre; on sugarcane acreage \$4.32 per acre; and on ranch and pasture acreage \$0.15 per acre. Taxes levied on these three types of agricultural land represent 8 percent of the total property tax levy in the islands. 18/

The assessed acreage not used directly for cultivation or pasture but considered part of the farm, plantation, or ranch totaled 33,691 acres in 1959 (table 3). The assessed valuation of this acreage totaled \$9,611,677. The value of buildings located on this land totaled \$31,398,340, or almost four times the value of the land on which they were located. Taxes levied on land and buildings totaled \$673,012 in 1959.

The total farm property tax levied including taxes on agricultural land used for pasture and the growing of pineapples and sugarcane and taxes levied on land and buildings not directly related to agricultural activities averaged \$1.69 per acre as compared with \$1.17 on land alone. 19/

18/ Total tax in table 2 as a percentage of total tax in table 1.

19/ Neither of these averages is strictly comparable to the average tax per acre estimates made for the other States. To ascertain a comparable average tax levy per acre on farm property in Hawaii, the amount of tax levied on other kinds of farmland used for dairies, rice and taro paddies, coffee, and other livestock, and the amount levied on certain buildings and the land they occupy, should be included. Buildings and land devoted strictly to nonfarm uses, which represent for the most part employee housing and company offices, should be excluded.

Table 3.- Acreage, assessed value, and taxes levied, agricultural land and buildings not directly related to production in Hawaii, 1959

County	Assessed acreage	Assessed value		Taxes levied
		Land	Buildings	
	<u>Acres</u>	<u>1,000 dollars</u>	<u>1,000 dollars</u>	<u>1,000 dollars</u>
Honolulu-----	3,159	2,968	6,350	141
Maui-----	20,675	2,731	9,790	206
Hawaii-----	4,645	1,661	7,990	159
Kauai-----	5,210	2,251	7,269	167
Total <u>1/</u> -----	33,691	9,612	31,398	673

1/ Figures will not add to totals because of rounding.

The average tax levied per acre in Hawaii on farmland is above the national average recorded on farm real estate in the remaining States. The national average excluding Hawaii and Alaska was \$1.11 per acre in 1959. The average tax per acre in Hawaii is probably comparable with the averages recorded for many States in the Northeast, Lake States, Corn Belt, and Pacific Region of the United States.

A recent study of the kinds of liability insurance carried by 587 commercial farmers in New York State indicates that 67 percent carried personal liability insurance; 44 percent carried public liability coverage; 15 percent had employer's liability insurance; and 8 percent carried workmen's compensation insurance. Some farmers had more than one type of liability coverage. From "Insurance in the Farm Business," by Smith and Tabb, Agr. Ext. Bul. 1003, Cornell University.

FOREST INSURANCE IN THE UNITED STATES

John D. Rush

The three main perils to growing timber are disease, insects, and fire. Together, they accounted for three-fourths of the estimated total (direct and consequential) timber loss in 1952, which amounted to about 2 percent of the volume of standing timber in that year (table 1). Of the three perils, fire was the least important; yet it is perhaps the peril most feared by timber owners because it sometimes causes spectacular losses when it strikes. Sporadic efforts have been made by insurers to cover the fire peril, but even this peril has not been widely insured.

The purpose of this article is to review some of the history of forest fire insurance, to discuss its present status, to give some possible reasons for lack of demand for the insurance, and to record pertinent information that might be helpful to insurers who contemplate future entry into this field of operations.

History

The first venture into forest insurance in this country occurred more than 40 years ago. The Timberlands Mutual Fire Insurance Company, Concord, N. H., was chartered in 1917 but went out of business in 1918. At that time it transferred its outstanding insurance (unearned premiums) to the Globe and Rutgers Fire Insurance Company of New York, which is not now in business.

In the midtwenties, the Automobile Branch of the Hartford Fire Insurance Company, Hartford, Conn., entered the field; but after several years, it also ceased to write forest insurance and recommended that banks making timber loans self-insure their collateral by charging slightly higher interest rates on timber loans and establishing reserves against future losses.

The Home Insurance Company began writing fire insurance on merchantable timber in 1923, and later extended its contract to include planted trees. ^{1/} After several years, solicitation was suspended and the business was put on an accommodation basis.

These earlier insurance contracts usually covered only mature, merchantable stands. More recently, young stands have been covered. In some instances, contracts covering merchantable trees have been expanded to include mixed stands, with not more than 10 percent in young stock.

The experience of these earlier companies indicated that merchantable timber was less hazardous to insure than stands with growing stock of all ages, and that from the insurer's viewpoint, the older trees were a more

^{1/} Correspondence with D. C. Smith, Assistant Manager, Farm Department, Home Insurance Company, Chicago, indicates that no forest insurance is presently available in the Midwest.

Table 1.- Mortality and growth loss on commercial growing timber by perils, United States including coastal Alaska, 1952, 1/

Peril	Mortality	Growth loss	Total
	Percent	Percent	Percent
Fire-----	0.046	0.281	0.327
Insects-----	.193	.151	.344
Disease-----	.150	.827	.977
Other-----	.291	.231	.522
Total-----	.680	1.490	2.170
After salvage----	.531	1.490	2.021

1/ Calculations based on Timber Resources for America's Future, U. S. Forest Serv., Forest Resource Rept. 14, Separate 11, January 1958.

desirable risk. This was true partly because merchantable timber represented a more valuable product and received better care from management than the less mature trees. Then, too, the larger trees were more resistant to fire and, perhaps more important, they had a high salvage value after a fire. It was also the experience of the companies that complete losses were rare except on young plantation (planted, as distinguished from second growth) holdings. The accumulated investment of the timber owner was much greater on the older than on the younger trees. As his stand neared marketability, even a small probability of complete loss created some incentive to insure.

More recent experience. - In the 1950's, the following insurance companies have offered fire and lightning insurance on standing timber: 2/ South Carolina Insurance Company, from 1953 to 1957; Forest Insurance Company, Atlanta, incorporated in 1957 but merged with Gulf-American Fire and Casualty Insurance Company, Montgomery, Ala., in 1959; Farmers' Mutual Insurance Company, Enumclaw, Wash., and the First National Insurance Company of America, Seattle, Wash.

2/ The Federal Crop Insurance Act was amended in 1944 to include forests and forest products among the crops that could be insured experimentally on an "all-risk" basis. So far, no forest insurance has been written by the Federal Crop Insurance Corporation.

Some provisions of the contracts of these companies are given later.

Lack of Demand

The chief obstacle encountered by insurers has been the lack of demand. For different reasons, both large and small timber producers have been slow to take insurance on growing timber. To farm owners of small timber tracts, timber production is usually subordinate to farming and may not appear to warrant the payment of insurance premiums. Owners of small woodlots are inclined to carry their own risks.

The more efficient industrial timber companies can accomplish a great deal more in reducing risks than can individuals with relatively small stands. Greatest strides in the development of economic woodland operations have been made by owners of large holdings. These owners can make full-time use of qualified foresters in a sustained-yield operation.

Through them, forest fire protection can be put on an effective and continuing basis. Self-insurance also fits this type of operation.

The viewpoint of one large industrial timber operator regarding forest insurance was about as follows:

We would not be interested in insurance. In our operation, which includes the management, harvesting, and manufacturing of forest products from about 325,000 acres of timberland, we have learned how to control the fire and windblow problems. With our equipment, we can harvest damaged or blown trees before much consequential loss occurs. There is a high degree of salvage on timber when you have the equipment to harvest the trees immediately after a fire. We figure insurance would not pay for any loss under our plan of operations. 3/

The demand for forest insurance might be strengthened if broader coverages were available at moderate rates. As stated earlier, insects and disease seem to be more important causes of direct loss than fire (table 1.) Moreover, consequential (growth) loss, not counted as primary damage, is twice as great as the direct or primary damage. Whether or not insurers expand their coverages to include the other two major perils (insects and disease) depends largely upon the demand for such insurance by owners of small and medium-sized woodlands.

Need for credit to finance forest production also could stimulate demand for insurance on growing timber. Any increase in the use of credit for timber production could bring a corresponding increase in the demand by creditors for fire insurance and for expanded coverages.

In designing a more salable program of forest insurance, more consideration might be given to the provisions of the Norwegian forest

3/ Interview with Ed Leigh McMillian, President, T. R. Miller Mill Company, Brewton, Ala., April 26, 1958.

insurance plan. ^{4/} After considerable experience, it was concluded that the economic interests of the Norwegian forestry program could be best promoted by insuring only the younger stands, omitting the mature timber. The Norwegians discovered that mature stands were more resistant to many perils, and that salvage from merchantable timber was high; therefore, they concentrated on a plan of insurance covering young stands, which sometimes had to be replanted at extra expense.

On two other important points we can learn from the Norwegian program. First, insurance is tied in with conservation laws, which require that some part of the insurance proceeds be earmarked for conservation - the replanting of damaged areas. Second, the proceeds of a 10-percent sales tax on timber products were set aside for investment. Money from this fund is available to forest owners for forestry-improvement purposes, including fire protection, and for payment of forest insurance premiums.

Most Important Contract Provisions of Companies Now
(or Recently) Offering Forest Fire Insurance

Forest Insurance Company, Atlanta
(Merged with Gulf-American Fire and Casualty Insurance
Company, Montgomery, Ala., in 1959)

The Forest Insurance Company of Atlanta began writing insurance on timber in Georgia in 1957. ^{5/} The program was expanded after the 1959 merger with the Gulf American Fire and Casualty Co., Montgomery, Ala., which has a reinsurance agreement with Lloyd's of London. Rate schedules originally set up in Georgia, Alabama, Arkansas, Florida, Louisiana, Mississippi, North Carolina, South Carolina, and Tennessee, were expanded, after the merger, to include three additional States: Kentucky, Virginia, and West Virginia. But so far insurance has been limited to the southern timber belt. Coverage against the hazards of fire and lightning is provided on both merchantable and unmerchantable stands including seedlings.

On natural growth timber, a grower may obtain coverages ranging from \$5 to \$100 an acre, depending on the estimated valuation of the stand. For selected coverages, the basic rates that apply to natural-growth timber are shown in table 2.

For planted seedlings, coverages of from \$10 to \$24 per acre are obtainable, according to tree age, at 150 percent of the rates shown in table 2. The \$10 coverage applies to trees just planted. ^{6/} The coverage increases by \$1 for each year of age until at age 15 a coverage of \$24 applies.

^{4/} See Forest Fire Insurance In Norway, U. S. Agricultural Finance Review, Vol. 21, pp. 87-89, July 1959.

^{5/} Interview with John P. Winchester, General Agent, and correspondence with Barrie L. Jones, President, Forest Insurance Company, Atlanta, Ga., and M. G. Waitt, Vice Pres., Gulf American F. & C. Co., Montgomery, Ala.

^{6/} The initial cost of planting is around \$10 an acre.

Table 2.- Forest fire insurance: Selected coverages and rates per acre

Coverage (dollars)	Rate for -		
	Basic percentage deductible ^{1/}	Basic deductible plus an additional -	
		2 percent	4 percent
	<u>Cents</u>	<u>Cents</u>	<u>Cents</u>
5-----	5.75	4.60	3.45
10-----	9.00	7.20	5.40
15-----	9.90	7.91	5.93
20-----	10.40	8.32	6.24
24-----	10.80	8.63	6.47
25-----	10.90	8.72	6.54
50-----	13.40	10.72	8.04
75-----	15.90	12.72	9.54
100-----	18.40	14.72	11.04

^{1/} The rate for a selected coverage is the same for all States. As shown in text footnote 7, below, the basic percentage deductibles vary by States.

After age 15, the age of the trees is no longer a rate factor, so from then on the young trees take the rates shown in table 2.

The insurance coverages offered previously by the Georgia Company and now offered by Gulf-American are shown in table 3 for two classes of standing timber, along with the premium calculations and the loss-settlement procedure.

The insurance contract carries a mandatory deductible of (1) 10 acres or (2) the product of the basic percentage deductible for the State multiplied by the tract acreage - whichever is greater.^{7/} The deductible applies to each separate insured tract if more than one tract is insured under one policy. For example, (see footnote 7), the basic deductible applicable to a 100-acre tract in Alabama would be 2 acres (or 0.02×100), so the 10-acre deductible would apply. An indemnity would not be payable on losses involving 10 acres or less. But if a 1,000-acre tract were insured, the basic deductible would amount to 20 acres (or $0.02 \times 1,000$), so it, rather than the 10-acre deductible, would apply. In this case, an indemnity would not be payable on losses involving 20 acres or less.

^{7/} The basic deductibles, by States, are as follows: Alabama, 2 percent; Arkansas, 1 percent; Florida, 2.3 percent; Georgia, 1 percent; Kentucky, 2.3 percent; Louisiana, 2 percent; Mississippi, 2.1 percent; North Carolina, 1.6 percent; South Carolina, 1.1 percent; Tennessee, 1.9 percent; Virginia, 1 percent; and West Virginia, 1.7 percent. Higher basic deductibles are available at reduced rates.

Table 3.- Examples of coverage, rate and indemnity calculations, 3 tracts in Georgia insured in one policy

Item	Natural growth trees		Planted trees	
	Tract 1	Tract 2	Tract 3	
Acreage insured-----acres----	150	2,000	1,150	
Coverage:				
Per acre-----dollars----	15	20	10	
Total-----do-----	2,250	40,000	11,500	
Deductible-----percent----	<u>1</u> / 1	<u>2</u> / 3	<u>3</u> / 1	
Premium:				
Per acre-----dollars----	0.099	0.0832	0.135	
Total-----do-----	14.85	166.40	155.25	
Acreage damaged-----acres----	30	200	100	
Net damage after salvage:				
Per acre-----dollars----	<u>1</u> / 10	<u>2</u> / 5	<u>3</u> / 10	
Total-----do-----	300	1,000	1,000	
Amount deductible-----do-----	<u>1</u> /100	<u>2</u> / 300	<u>3</u> / 115	
Indemnity payable-----do-----	200	700	885	

1/ 0.01×150 acres = 1.5 acres, so 10-acre deductible applies. Amount deductible, then, is $\$10 \times 10$ acres or \$100.

2/ It is assumed that a higher 2 percent additional deductible (3 percent in all) was obtained on this tract at a reduced rate (see table 1). $0.03 \times 2,000$ acres = 60 acres, so it, rather than the 10-acre deductible, applies. Amount deductible, therefore, is $\$5 \times 60$ acres or \$300.

3/ $0.01 \times 1,150$ acres = 11.5 acres, so it, rather than the 10-acre deductible, applies. Amount deductible, then, is $\$10 \times 11.5$ acres or \$115.

South Carolina

The South Carolina Insurance Company offered forest insurance between 1953 and 1957. 8/ Reasons given for discontinuing the program were that timber valuations were too low to support it (within the framework of reinsurance thought necessary) and that there was insufficient demand. Even though losses were negligible during the period of operations, company officials thought it would be unwise to carry more than about 5 percent of the risk without reinsurance. This did not leave the company adequate residual premium income from the available volume of business. 9/

In the 4-year period of its timber-insurance operations, the company collected about \$200,000 in premiums, without any appreciable losses. The bulk of its business was in northern California, Oregon, and Washington. Only about a fourth of premium income came from the Southeast, where the company was domiciled. A few additional policies were in force in Tennessee, Arkansas, Louisiana, Minnesota, New Hampshire, and New York.

The company employed a forester to help develop its plan of insurance. It started with a policy covering only merchantable timber; later, it added a limited coverage on mixed stands consisting of up to 10 percent unmerchantable trees.

The application and endorsements provided space for the following information: Volume of timber, by species; terrain; type of fire protection; type of firebreaks used; type of underbrush; type of cutting operation used; fire history for last 5 years; average size of merchantable trees; age of trees if planted (in plantations); and insurable value. 10/ Any amount of insurance up to the insurable value could be taken on a coinsured basis (discussed later). If an applicant wanted insurance only during the dry season (February through October), he was required to pay more than a pro rata share - up to 80 percent - of the annual premium.

8/ Interview with H. G. Kaminer, Vice President, Seibels, Bruce and Company, Managers, Columbia, S. C.

9/ If the demand were adequate, sufficient geographical spread of risks might be possible through an exchange of reinsurance among direct-writing companies. An equal exchange of reinsurance by two direct-writing companies using the same rates would not result in any loss of premium income by either company.

10/ The formula for determining the maximum insurable value of planted unmerchantable trees was specified as value = $A(4PY - 2 + C)$ in which P = percent stocked, as decimal fraction (base=600 trees per acre); Y = age in years; C = planting cost per acre; and A = acreage. For example, with 450 trees per acre, P = 0.75. If the age were 5 years, and planting costs averaged \$10 per acre, a valuation of \$11,500 would be placed on 500 acres determined as follows:

$$500 [(4 \times .75 \times 5) - 2 + 10] = 11,500.$$

The company used a 1-year policy, which covered direct loss caused by fire and lightning. A base rate of 50 cents per \$100 of insurance was applicable to 90 percent coinsurance with a 10-percent or \$200 franchise deductible (whichever was greater). ^{11/} Lower coinsurance percentages were available at higher rates, and higher deductibles were available at reduced rates.

A schedule-rating plan was used, in which debits and credits (as percentages of the base rate) were entered for factors which increased or reduced the hazard involved. Rate credits were granted for organized (countywide) fire protection if the forest owner also had fire-fighting equipment. Other credits were for organized owner fire-protection programs, tree size (of at least 12 inches in diameter), fire-resistant species, density of trees (dense plantings impede the spread of fire), light underbrush, and a certification that the owner participates in a registered tree-farm program.

Hazards that increased the basic rate or made the risk uninsurable included naval stores operations, presence of a railway, recreational facilities, public highways, logging camps, steep terrain, heavy underbrush, unmerchantable trees, and other recognizable hazards.

When a claim was presented, the company estimated the damage and the value of any salvage. In connection with the loss of unmerchantable trees less than 2 years old, it reserved the right to replant with trees of like kind and quality within a reasonable time. As with all property insurance except under a "valued" policy, the indemnity was limited to actual cash value at time of loss or the amount of insurance, whichever was less.

The loss settlement did not indemnify for the following items of expense: Fire suppression, removal of debris or stumps, and that part of any loss or damage caused directly by regulations and established by Federal or State Governments as a forest-management practice. Nor did the policy cover trees growing in locations that made it impracticable to log burned-over stands by ordinary means or losses resulting from the burning of slashings in violation of Federal or State laws or requirements.

As an illustration of a loss settlement, suppose a loss of \$1,800 (after salvage) occurred in connection with trees valued at \$10,000 and

^{11/} Under a 90-percent coinsurance clause, the amount of insurance must equal at least 90 percent of value at time of loss in order for partial losses to be payable in full. An indemnity payment amounts to the same proportion of the loss that the insurance bears to 90 percent of value. Higher rates applied if coinsurance at less than 90 percent were elected. The effect of a lower coinsurance percentage is to increase the amount of indemnity payable by the insurer, particularly in connection with partial losses. Under a franchise deductible, nothing is paid if losses do not exceed the deductible amount. But losses amounting to more than the deductible are payable in full. For example, under a \$200 franchise deductible, nothing is payable in case of a loss amounting to \$200 or less; but a \$300 loss would be payable in full.

insured for \$9,000 under a 90-percent coinsurance clause. This grower would be paid in full, because his insurance amounted to 90 percent of the value of timber, as required by his coinsurance clause.

But if this grower had carried only \$6,000 worth of insurance on his timber, he would be paid only \$1,200, or two-thirds of his loss, as his insurance amounted to only two-thirds of that required by his coinsurance clause. The calculation is shown below:

$$\$1,800 \times \frac{\$6,000}{90\% \text{ of } \$10,000} = \$1,200$$

Farmers Mutual Insurance Company, Enumclaw, Wash.

This company filed rates and forms with the Insurance Commissioner in 1958 as a step toward offering forest insurance in the State of Washington. ^{12/} This base rate is increased or reduced in accordance with the risk involved, as reflected in a schedule of debits and credits applicable to the base rate. A detailed, signed application is required and, as a warranty, is made part of the contract.

The policy provides coverage against fire and lightning and, in case of loss, the indemnity cannot exceed the agreed value at that time, regardless of the amount of insurance carried. The following costs may not be included in the values insured: (1) Expenses for fire-fighting and fire-suppression, (2) cost of removal of debris and stumps, (3) loss or damage caused directly by the willful failure of insured to conform with applicable laws and regulations covering forest-management practices, and (4) trees growing in locations that make it impracticable or impossible to log or salvage them at the usual profit by ordinary means. Coverage is suspended during the period when "slashings" are burned, unless all Federal and State requirements pertaining to such action have been met. The limitations and exclusions listed in this paragraph were used also by the South Carolina company. The Farmers Mutual Insurance Company uses a deductible amounting to 1 percent, or \$200, whichever is greater. It is applicable to each loss.

The company mailed out some 6,000 letters to land owners, as indicated by records covering payment of fire-protection taxes, but only 30 replies were received. ^{13/} First inspections indicated that most of the interest expressed was by owners of uninsurable slash tracts. This seems to indicate a lack of interest in forest fire insurance in this area at the owner level. Moreover, an official of a large insurance management concern, operating in the Far West, is of the opinion that "if there was sufficient demand for this type of

^{12/} Article, National Underwriter, November 21, 1958, p. 42.

^{13/} Letter received from Secretary-Manager of Company.

insurance, the insurance companies would be willing and able to provide a market." 14/

First National Insurance Company of America, Seattle, Wash.

The First National Insurance Company of America, Seattle, Wash., also recently began offering fire insurance on standing timber, but so far there has been little demand for it. In a recent letter, an official of the company expressed the belief that "there may be a slowly increasing interest in a coverage of this kind." 15/ He stated further:

As far as we are concerned, we have but three policies of insurance in force at this time. One is on non-merchantable timber on tree farms in Oregon. The other two are in Northern California on large stands of merchantable timber and each is written with a \$500,000 deductible clause. All three of these were based on rates promulgated by the South Carolina (Insurance Company) in their formula.

14/ Letter from Cravens, Dargan and Company, 234 Bush Street, San Francisco 4, Calif., dated December 5, 1958.

15/ Correspondence with William D. Gulliford, Vice President, First National Insurance Company of America, Seattle, Wash., Nov. 14, 1958.

REPORTS

NON-REAL-ESTATE LOANS TO FARMERS

On January 1, 1960, the non-real-estate loans to farmers held by the principal lending agencies, excluding CCC loans and certificates of interest, totaled about \$6.7 billion. This was nearly 16 percent above the amount outstanding a year earlier. During 1959, the non-real-estate farm loans held by banks increased 15.7 percent and those of the production credit associations 22.1 percent, but loans held by the Farmers Home Administration declined 2 percent.

Percentagewise, the increase during 1959 in the non-real-estate farm loans held by principal lenders was about the same as the increase during 1958. It was between 15 and 16 percent in both years for the country as a whole. However, the credit expansions in the 2 years differed materially among areas. In 1958, larger than average percentage increases occurred in all Corn Belt and Pacific States, in Nebraska, Kansas, Kentucky, and South Carolina, and in Idaho, Colorado, and Utah. Of these States, only Illinois, Nebraska, South Carolina, and California had above-average increases again in 1959. The other States with above-average increases in 1959 were New York, Delaware, Wisconsin, Minnesota, North and South Dakota, North Carolina, Alabama, Montana, Arizona, and Nevada. In both years, relatively little expansion occurred in the Delta or in most of the Northeastern States.

A notable feature of the expansion of non-real-estate farm loans during the last 2 years has been the unusually rapid increase in loans of the production credit associations and the decline in loans of the Farmers Home Administration. In both 1958 and 1959, the non-real-estate farm loans of banks increased by about the same percentage as the total held by all of the principal lenders - 15 to 16 percent - but the outstanding loans of the production credit associations increased by nearly 26 percent in 1958 and about 22 percent in 1959. Outstanding non-real-estate loans of the Farmers Home Administration dropped by about 7 percent in 1958 and 2 percent in 1959, mainly because of a decline in emergency loans.

Current indications are that non-real-estate loans to farmers held by the principal lenders will increase less rapidly in 1960 than during the last 2 years and that the Farmers Home Administration will be called upon to supply a larger part of the credit used by farmers. The expansion of loans by the production credit associations has been slowing down since last summer. Outstanding loans of the production credit associations were only 15 percent greater than a year earlier on March 31, 1960, compared with 28 percent greater than a year earlier on August 31, 1959. Moreover, the production credit associations have renewed a larger volume of loans, and extended less new credit, this spring than a year earlier. A similar increase in renewals and decrease in new loans has occurred at some banks, particularly in the Corn

Belt. At the same time, applications for loans at the Farmers Home Administration have increased substantially.

This change in the farm credit situation seems to be the result of some diminution of bank lending power and some deterioration in the financial circumstances of farmers. Deposits of banks in about 600 selected agricultural counties increased only 2.6 percent in 1959, compared with 8.8 percent in 1958; they declined slightly in 1959 in the selected counties of Indiana, Iowa, North Dakota, South Dakota, Nebraska, Montana, and Arizona. Loan-deposit ratios of banks in the selected counties increased in all regions except the Delta and the Southern Plains. Although this ratio is still only 42.5 for all banks in the selected agricultural counties, some banks are reported to be "loaned up" to a point at which they are reluctant to increase their loans further. In addition, the ability of many farmers to repay loans and to obtain additional credit has been reduced by declines in their incomes. Apparently, this has dampened the willingness of banks and production credit associations to enlarge existing lines of credit. Also, it has caused more farmers to seek credit from the Farmers Home Administration.

The higher cost of money in the central money markets has been reflected in the rates paid by farmers. According to a recent survey by the American Bankers Association, the average rate paid by farmers on bank loans has increased by about one-third of 1 percentage point during the last year. The average rate charged farmers by the production credit associations increased nearly a full percentage point during the year ended April 1, 1960. The greater increase in rates of the production credit associations results from their dependence on the central money market for most of the money they lend to farmers. Although central money market rates have dropped from the peak levels attained about the first of the year, the decline has not yet been of sufficient extent or duration to bring any easing in the rates charged farmers by banks and production credit associations.

INCREASE IN DEPOSITS SLOWS DOWN IN 1959

Deposits of insured commercial banks increased only 1.5 percent in 1959, the smallest increase in many years (table 1). There was hardly any increase in the group of counties that contained the major trade and financial centers. In other counties, including selected agricultural counties, the increase amounted to about 2.5 percent.

Considering all counties, deposits declined slightly in 1959 in the Northeast and Northern Plains, mainly because of declines in the larger cities, and they increased very little in the Lake States, Corn Belt, and Southern Plains (table 2). The larger increases in deposits in 1959 occurred in the Southeast, Delta, Mountain, and Pacific Regions.

Among the selected agricultural counties, deposits declined slightly in the Corn Belt, increased very little in the Northern Plains, but rose substantially in the Appalachian, Southeast, and Delta States. The decline shown for selected agricultural counties in the Pacific Region probably resulted from continued absorption of small banks into large branch banking systems rather than from a decline in the level of deposits.

Table 1.- Percentage increase in total deposits of insured commercial banks, by class of county, 1940-59

Class of county	1940-59 1/	1951 2/	1952 2/	1953 2/	1954 2/	1955 2/	1956 2/	1957 2/	1958 2/	1959 2/
All counties-----	252.2	6.3	4.9	2.2	4.7	4.2	2.9	2.0	7.3	1.5
Counties that contain major trade and financial centers-----	177.0	5.3	4.2	1.0	5.6	4.6	1.2	1.6	7.2	.4
Secondary trade and financial centers-----	315.8	7.2	5.6	3.0	4.7	4.5	4.0	2.4	7.2	2.4
Small trading centers-----	411.2	7.1	5.8	3.4	3.1	3.1	4.8	2.3	7.6	2.5
Selected agricultural counties-----	406.7	5.9	4.8	3.5	3/ 2.5	3/ 2.6	2.8	3.3	8.8	2.6

1/ June 30, 1940, to June 30, 1959.

2/ Calendar year. (Change from December 31 of previous year to December 31 of year indicated.)

3/ Data were adjusted to eliminate effects of mergers and absorptions into branch systems.

Table 2.- Percentage increase in total deposits of insured commercial banks, by class of county and by region, 1959

Region	All counties	Counties that contain-			Selected agricul- tural counties
		Major trade and financial centers	Secondary trade and financial centers	Small trading centers	
	Percent	Percent	Percent	Percent	Percent
Northeast-----	-0.6	-2.6	2.8	1.8	3.0
Lake States-----	1.8	3.0	.5	1.6	2.5
Corn Belt-----	1.3	1.4	1.6	.8	-.6
Northern Plains--	-.2	1/	-3.5	1.0	.4
Appalachian-----	3.4	1/	3.4	3.5	4.2
Southeast-----	4.8	1/	3.4	6.3	5.6
Delta States-----	5.9	1/	3.2	7.8	9.2
Southern Plains--	1.0	.6	-.5	2.4	2.2
Mountain-----	4.3	1/	5.6	2.9	2.0
Pacific-----	4.2	4.4	4.9	1.2	-3.2
United States----	1.5	.4	2.4	2.5	2.6

1/ This region contains no county that had \$1 billion or more on deposit on June 30, 1948.

Iowa was the center of a large area in which declines in deposits were widespread. Nearly nine-tenths of the counties of Iowa, agricultural and other, had declines in deposits in 1959. In Illinois, Nebraska, and the Dakotas, deposits declined in more than half of all counties; in Minnesota and Missouri, they declined in 40 to 49 percent of the counties. Approximately a third of the counties in Indiana and Kansas had declines.

The declines in deposits in these States doubtless resulted mainly from the lower prices of cattle and hogs, the smaller wheat crop, and severe drought in parts of the Dakotas and Minnesota. A strong contributing factor, particularly in Iowa, was the high moisture content of the 1959 corn crop, which made much of the crop ineligible for price-support loans until after the first of 1960.

Although the loan-deposit ratio of all banks in the selected agricultural counties rose only from 40.8 percent on December 31, 1958, to 42.5 percent on December 31, 1959, larger increases occurred in some regions (table 3). Especially notable were the increase from 50.4 to 54.2 percent in the Northeast; the increase from 41.5 to 44.6 percent in the Lake States; and the increase from 41.6 to 45.5 percent in the Corn Belt. In Iowa, the increase was from

Table 3.- Loan-deposit ratios of insured commercial banks in selected agricultural counties, by regions, Dec. 31, 1958 and 1959

Region	Dec. 31, 1958	Dec. 31, 1959
	Percent	Percent
Northeast-----	50.4	54.2
Lake States-----	41.5	44.6
Corn Belt-----	41.6	45.5
Northern Plains-----	38.6	38.7
Appalachian-----	41.6	43.4
Southeast-----	35.5	36.6
Delta States-----	37.8	36.3
Southern Plains-----	38.5	34.7
Mountain-----	38.8	40.6
Pacific-----	38.3	42.5
United States-----	40.8	42.5

49.3 to 55.3 percent. These increases resulted from the continued expansion of bank loans, together with decreases in deposits in many areas. Loan-deposit ratios declined during 1959 in selected agricultural counties of the Delta and Southern Plains, partly because of continued increases of deposits in these regions.

FARM-MORTGAGE CREDIT

Preliminary estimates place the total outstanding farm-mortgage debt on January 1, 1960, at \$12,291 million, up \$1,037 million from the high level of January 1, 1959. All lender groups showed an increase, although the rate varied by groups. The greatest increase was registered by the Federal land banks - the smallest by life insurance companies. As a result of the differential rates of growth among groups, the proportion of total farm-mortgage debt held by the Federal land banks and the Farmers Home Administration increased slightly, while the proportion held by life insurance companies showed a small decline. The share held by other lenders remained about the same.

Available data indicate that borrowers were using more of the money secured by farm real estate mortgages for purchase of real estate in 1959 than in 1958, and slightly less for purposes of refinancing real estate mortgages. A larger proportion of the funds obtained from life insurance companies in the quarter ending December 31, 1959, were used to refinance other indebtedness than in the first quarter of 1959. Conversely, there was less refinancing of real estate mortgages in the quarter ending December 31, 1959, than in the first quarter.

Recordings of farm real estate mortgages in the second half of 1959 totaled \$1,222 million, the highest recorded during the second half of any year. Combined with recordings of \$1,592 million in the first half of the year, the total recorded was second only to the \$2,943 million recorded in 1919.

The demand for long-term credit reflected in part the higher value of farm real estate and also the higher proportion of all transfers that were credit-financed. Farmer expenditures for buildings, farm machinery, and tractors also were above 1958 levels.

The cost of farm real estate credit climbed gradually during the year, and by the end of 1959 and the beginning of 1960, interest rates had reached what appeared to be a peak. Rates charged by life insurance companies responding to a quarterly survey were averaging 5.945 percent by the end of 1959. Rates charged by the Federal land banks were at their statutory limit (6 percent) in all Farm Credit Districts. The upward pressure on Federal land bank rates from the central money markets eased off somewhat by April 1960. Consolidated farm loan bonds were selling at a face rate of 4 and 4-1/2 percent, compared with 4-7/8, 4-1/4, 4-3/8 percent during 1959 and 5-1/8, 5-3/8, and 5.4 percent in January and February 1960.

Despite lower farm income in 1959, the repayment rate on farm mortgages owned by 22 life insurance companies increased from 10.9 percent of indebtedness in 1958 to 11.4 percent in 1959, reflecting the high income levels of 1958.

The Federal Farm Loan Act was amended by Senate Bill 1512, to become effective January 1, 1960. Among other things, the act:

- (1) Provides that sums loaned to purchase capital stock in Federal land bank associations may be made part of the face amount of the loan and be in addition to the 65 percent of the normal value of the farm;
- (2) Transfers land bank appraisers from the Farm Credit Administration to the Federal land bank served;
- (3) Allows loans on an unamortized or partly amortized basis;
- (4) Repeals the \$200,000 loan limit;
- (5) Changes the name of the national farm loan association(s) to Federal land bank association(s).

FARM MUTUAL INSURANCE

The volume of fire insurance carried by some 1,650 farmers' mutual insurance companies in the United States increased from \$30.8 billion on

December 31, 1958, to \$32.9 billion at the end of 1959 (table 1). ^{1/} Members of these companies paid \$97 million for their farm mutual insurance protection

Table 1.- Farmers' mutual fire insurance, United States, 1958 and 1959 ^{1/}

Item	Total amount		Average per \$100 of insurance ^{2/}	
	1958	1959	1958	1959
	Million dollars	Million dollars	Cents	Cents
Fire insurance in force Dec. 31-----	30,768	32,891	---	---
Income from members ^{3/} -----	91.1	97.0	30.4	30.5
Costs:				
Losses ^{4/} -----	49.5	56.9	16.5	17.9
Operating expenses ^{5/} -----	21.5	23.0	7.2	7.2
Total costs-----	71.0	79.9	23.7	25.1
Safety funds or reserves on				
Dec. 31 ^{6/} -----	196.9	206.6	64.0	62.8
Windstorm losses ^{7/} -----	---	---	4.5	6.1

^{1/} Estimates for both years based on reports for the same 238 sample companies.

^{2/} Based on average insurance in force during year (halfway between beginning and ending figures) except that safety funds and windstorm losses are based on year-end insurance in force.

^{3/} Excludes investment income.

^{4/} Includes some wind, extended coverage, and other losses.

^{5/} Excludes reinsurance premiums.

^{6/} These funds belong to members.

^{7/} Based on amount of windstorm or extended-coverage insurance in force Dec. 31.

^{1/} Based on reports for 1958 and 1959 from 238 companies selected at random from the companies in each of the size groups shown in tables 2, 3, and 4. Sampling ratios were higher for the larger than for the smaller companies. These sample surveys are made annually to determine the percentage change in farm fire losses from one year to the next and to estimate operating data for the farm mutuals before the published data become available from insurance commissioners' reports and other sources.

in 1959, compared with \$91 million in 1958. However, the average assessment rate changed very little. Based on average insurance in force, it amounted to 30.4 cents per \$100 in 1958 and 30.5 cents in 1959.

Losses paid by these companies increased from about \$50 million in 1958 to about \$57 million in 1959. Per \$100 of insurance, the increase was from 16.5 to 17.9 cents. At least a third of the companies write windstorm (and extended coverage) insurance, in addition to fire and lightning insurance. ^{2/} For these companies, the losses paid included those due to windstorm (and other) perils. Operating expenses increased from \$21.5 million in 1958 to \$23 million in 1959; but per \$100 of insurance, they amounted to 7.2 cents for both years. Based on the sample data, the "cost" of farm mutual insurance (losses paid plus operating expenses) increased from 23.7 cents per \$100 in 1958 to 25.1 cents in 1959.

The safety funds or reserves of the farm mutuals increased from about \$197 million on December 31, 1958, to about \$207 million at the end of 1959. Because of the higher costs in 1959, there was a slight decrease in safety funds per \$100 of insurance - from 64.0 cents at the end of 1958 to 62.8 cents at the end of 1959. Windstorm losses paid by the windstorm-writing companies per \$100 of windstorm insurance in force at the end of the year increased from 4.5 cents in 1958 to 6.1 cents in 1959. These losses are included in the 1958 and 1959 losses mentioned in the preceding paragraph.

Operating Expenses.- Of the 238 companies in the sample, 104 wrote fire and lightning insurance only. They are referred to as the "fire-only" companies. The other 134 companies wrote windstorm insurance in addition to fire and lightning insurance. They are called the "fire-wind" companies. A distribution of the sample companies by 1959 operating expenses, by type of company (fire-only vs. fire-wind) and by amount of fire insurance in force at the end of 1959, is shown in table 2.

For the fire-only companies, operating expenses ranged from an average of 4.9 cents per \$100 for the companies in the size group with \$10 to 19 million of fire insurance in force to 7.8 cents for the smallest companies. More than half of these fire-only companies fell in the "less than 5 cents" expense-rate grouping. Moreover, the proportion of companies falling in this group tended to increase with size of company.

^{2/} The extended-coverage or wind insurance on a specified building usually equals, or is less than, the fire insurance on the same building. The maximum amount payable by the company is the amount of the fire insurance. This maximum is counted only once. But part of it applies also to the wind peril if an additional premium has been paid for wind insurance or if one premium covers fire and other perils including wind. Strictly speaking, then, the wind insurance is not in addition to the fire insurance. Part or all of the insurance may apply to several perils including wind. None of the companies included in this sample was a specialized wind-only company.

Table 2.- Operating expenses of farmers' mutual fire insurance companies, 1959, per \$100 of fire insurance in force on Dec. 31, 1959, by type of company, United States ^{1/}

104 COMPANIES WRITING ONLY FIRE AND LIGHTNING INSURANCE
(FIRE-ONLY COMPANIES)

Size of company ^{2/} (million dollars)	Companies with operating expense of -				Average operating expense
	Less than 5 cents	5 to 9.9 cents	10 to 14.9 cents	15 cents or more	
	Percent	Percent	Percent	Percent	Cents
Less than 10-----	40.9	27.3	9.1	22.7	7.8
10 to 19.9-----	57.1	35.7	7.2	0	4.9
20 to 49.9-----	66.0	34.0	0	0	6.2
50 or more-----	53.9	23.1	3.8	19.2	5.2
All-----	56.9	30.9	4.1	8.1	5.7

134 COMPANIES WRITING FIRE, LIGHTNING AND WINDSTORM INSURANCE
(FIRE-WIND COMPANIES)

	Percent	Percent	Percent	Percent	Cents
Less than 10-----	25.0	62.5	6.3	6.2	9.6
10 to 19.9-----	36.4	36.4	27.2	0	7.0
20 to 49.9-----	44.1	44.1	5.9	5.9	4.8
50 or more-----	27.8	37.0	16.7	18.5	8.8
All-----	33.1	42.6	13.0	11.3	8.5

^{1/} Based on reports from 238 companies. A higher proportion of the larger than of the smaller companies was included in the sample.

^{2/} Fire insurance in force on Dec. 31, 1959.

The higher expense rates of the fire-wind companies are indicated by the fact that more of the companies fell in the "5-9.9 cents" grouping than in the "less than 5 cents" grouping. More than two-thirds of the fire-wind companies had expense rates that exceeded 5 cents per \$100 of insurance.

Lowest expense rates for the fire-only companies were reported by companies carrying between \$10 million and \$20 million of insurance; while the lowest expense rates for the fire-wind companies were reported by companies carrying between \$20 million and \$50 million of insurance.

Safety Funds.— The smaller farm mutuals have accumulated more safety funds per \$100 of insurance than have the larger companies (table 3). This is because for a small company the fire losses per \$100 cannot be predicted as accurately as for a larger company. Stability in loss rates therefore tends to increase with company size.

Table 3.— Safety funds of farmers' mutual fire insurance companies, per \$100 of fire insurance in force, Dec. 31, 1959, by size and type of company, United States

Size of company ^{1/} (million dollars)	104 companies	134 companies	238 sample companies
	writing fire and lightning insurance only	writing fire, lightning, and windstorm insurance	
	Cents	Cents	Cents
Less than 10-----	80	116	97
10 to 19.9-----	50	77	58
20 to 49.9-----	54	58	56
50 or more-----	46	64	61
Average ^{2/} -----	51	64	60

^{1/} Fire insurance in force Dec. 31, 1959.

^{2/} Weighted by amount of insurance in force (for population of companies) in each size group.

Data for the 104 fire-only companies show a range in safety funds from 80 cents per \$100 for companies in the smallest size group to 46 cents for companies in the largest size group. For the 134 fire-wind companies, the range in safety funds was from \$1.16 per \$100 for the smallest companies to 58 cents for companies in the next to largest size group. Comparing the fire-only and fire-wind companies by size groups, it will be noticed that the safety funds per \$100 for the fire-wind companies were higher, in each instance, than for the fire-only companies. As wind losses are more variable than fire losses, this might be expected. There is always the possibility of widespread wind losses in any year. Also, safety funds may be required to help pay losses in these years.

Investments.— On December 31, 1959, U. S. Government bonds accounted for almost half (42.4 percent) of the total assets of 94 of the 238 farmers' mutual insurance companies (table 4). ^{3/} Investments in State and local

^{3/} The sampling ratio was higher for the larger than for the smaller companies.

Table 4.- Distribution of assets of 94 sample farmers' mutual fire insurance companies, Dec. 31, 1959 ^{1/}

Item	Unit	Size of company ^{2/} (million dollars)				All
		Under 10	10 to 19.9	20 to 49.9	50 or over	
Investments:						
Bonds:						
U. S. Government-----	Percent	51.2	39.0	38.7	43.4	42.4
State and local governments-----	do.	.1	7.6	3.4	12.1	9.6
Stocks-----	do.	12.7	14.6	.2	2.4	3.0
Other investments-----	do.		2.9	6.8	5.4	5.3
Deposits:						
Savings and loan associations-----	do.	5.1	1.3	3.1	1.0	1.6
Banks-----	do.	24.6	29.3	40.3	29.7	31.7
Other deposits-----	do.				.1	.1
Real estate ^{3/} -----	do.	1.3	2.1	5.2	2.7	3.2
Other assets-----	do.	5.0	3.2	2.3	3.2	3.1
Total-----	do.	100.0	100.0	100.0	100.0	100.0
Companies-----	Number	14	16	29	35	94
Assets per \$100 of insurance Dec. 31-----	Dollars	1,093	.687	.592	.626	.632
	Million:					
Insurance Dec. 31-----	dollars:	90	234	930	2,881	4,135
Total assets Dec. 31----	do.	1.0	1.6	5.5	18.0	26.1

^{1/} For 9 companies, the balance sheets were for Dec. 31, 1958. For a few others, the balance sheets were for the fiscal year ended June 30, 1959.

^{2/} Fire insurance in force Dec. 31, 1959.

^{3/} Principally the office building occupied by the company.

government bonds accounted for 9.6 percent of assets, investments in stock for 3 percent, and other investments for about 5.3 percent. Real estate represented 3.2 percent of assets, and the remainder was primarily in bank deposits. Investments in U. S. Government bonds and bank deposits together made up about three-fourths of all assets of the sample companies. The deposits in savings and loan associations accounted for only 1.6 percent of total assets.

U. S. Government bonds accounted for 51.2 percent of the assets of the smallest companies, but only 39 percent of the assets of the medium-sized companies.

FARM FIRE LOSSES

Farm fire losses were estimated at about \$174 million in 1959, compared with \$156 million in 1958, an increase of about 12 percent. This was the sharpest increase that has occurred in recent years. It was due to average increases of about 6 percent each in fire-loss rates and in the valuation of farm buildings. The total insurance of the sample farm mutual companies also increased about 6 percent in 1959. The higher valuations of insurable property, the increased amounts of insurance carried, and the higher loss rates per \$100 of insurance carried were attributable to the rise in prices and replacement costs.

These estimates were based partly on reports from 238 farm mutual fire insurance companies, listing insurance in force at the end of 1958 and 1959 and losses during each year. The companies were sampled at random from company-size groupings according to sampling ratios calculated to give optimum sampling efficiency.

A new base for farm fire losses is established every 5 years, based on census valuations, insurance experience, and rates on farm property used by stock companies. For intercensal years, the estimates are adjusted in accordance with the change in (1) farm mutual loss rates and (2) farm building valuations. More specifically,

$$\begin{aligned}
 & \text{1959 farm fire losses} = \text{1958 farm fire loss} \times \frac{\text{Farm mutual fire-loss rate for 1959}}{\text{Farm mutual fire-loss rate for 1958}} \times \frac{\text{Valuation of farm buildings in 1959}}{\text{Valuation of farm buildings in 1958}} \\
 & = \$156 \text{ million} \times 1.0535 \times 1.0616 \\
 & = \$174 \text{ million}
 \end{aligned}$$

Based on experience in 1957 and 1958, losses paid on dwellings and contents accounted for about a third of the fire and lightning losses paid by 16 of the 238 farm mutuals analyzing their loss experience by class of property (table 1). Dwellings and barns and their contents accounted for about 40 cents of each \$1 paid. Of each \$8 paid, about \$1 was in connection with lightning

Table 1.- Distribution of fire and lightning losses, sample farm mutual insurance companies, by perils and property classes, 1957 and 1958 ^{1/}

Property class	Fire	Lightning	Total
	Percent	Percent	Percent
Dwelling and contents-----	33.3	24.2	32.1
Barn and contents-----	30.5	14.0	28.4
Outbuildings, other, and unspecified-----	23.1	14.9	22.1
Business and public buildings-----	6.2	.4	5.5
Machinery and motors-----	4.9	4.3	4.8
Livestock-----	.3	35.5	4.8
Miscellaneous-----	1.7	6.7	2.3
Total-----	100.0	100.0	100.0
By perils-----	87.4	12.6	100.0

^{1/} Based on records for 1957 and/or 1958 of 16 farm mutual fire insurance companies located as follows: Arkansas 1, Illinois 4, Iowa 1, Michigan 2, Minnesota 2, New York 1, Ohio 3, and Wisconsin 2.

and about \$7 as a result of fire damage. More than a third of the money paid for lightning losses was on livestock.

FEDERAL CROP INSURANCE

In 1959, premiums collected by the Federal Crop Insurance Corporation exceeded indemnities paid for the third consecutive year. Nearly a third of the insured losses were paid in South Dakota. Almost as much was paid in North Dakota and Minnesota combined. Indemnity payments substantially exceeded premium collections on flax and multiple-crop insurance, and were slightly larger than premiums collected on barley and peaches (table 1).

A new insurance plan is being offered in 1960 on corn and soybeans, and on tobacco in some counties. It will be extended to other crops in 1961. Under the new plan, a farmer may select one of several dollar amounts of insurance offered per acre. If his yield drops below the guaranteed yield applicable to his area, he is paid the percentage of his elected coverage by which his yield falls short of the guaranteed yield. For example, a farmer who elects a coverage of, say, \$25 per acre on corn would be paid \$10 per acre if the guaranteed yield for his area were 20 bushels and he produced only 12 bushels. The calculation is shown below:

$$\$25 \times \frac{20 - 12}{20} = \$25 \times .4 = \$10$$

Procedures for establishing the value of off-quality production have been simplified under the new plan. For corn and soybeans, a quality grade is specified in the contract, and in case of loss, the value of the off-quality production is compared with the price for the specified grade on the local market to determine a conversion ratio. For tobacco, the insurance guarantee is for a dollar return equal to the number of pounds specified in the contract multiplied by the average market price.

The calculation given above may be modified to illustrate the adjustment that is made in case of quality damage. Suppose the corn produced was worth only half of the local market price of the grade of corn specified as the conversion standard. The 12 bushels would then be counted as only 6 bushels. The loss per acre would be 20 bushels minus 6, or 14 bushels. This is 70 percent of the 20-bushel insurance average, and 70 percent of the \$25 insurance, or \$17.50, would be paid.

A total of 1,534 crop insurance programs will be offered in 870 counties in 1960. This compares with 1,483 programs in 851 counties in 1959 (table 2). Most of the increase in number of county programs will come from adding crops, by endorsement on the standard policy, to those previously insured.

Rice will be insured for the first time as a separate crop in 1960. Grain sorghums and oats were first insured in 1959.

AUTOMOBILE FINANCIAL RESPONSIBILITY LAWS

The minimum amount of liability insurance (or other security) required of drivers under automobile financial responsibility laws has increased in recent years. By the end of 1959, 28 States had minimums higher than 5/10/5.¹

Only three States - Massachusetts, New York, and North Carolina - require that motorists obtain insurance (or post security) before registration plates will be issued. In other States, a driver who is involved in an accident that results in property damage above a certain amount and/or bodily injury must present evidence that he is adequately insured or otherwise able to pay a claim or judgment up to the minimum requirements of the law or he loses his driver's license and/or license plates. Insurance policies are issued to meet at least the minimum requirements of the State law.

By States, the minimums are as follows:

<u>Limits</u>	<u>State</u>
5/10/0-----	Massachusetts
5/10/1-----	Alabama, Arizona, Hawaii, Idaho, Kansas, Kentucky, Louisiana, Montana,

¹/ "5/10/5" means \$5,000 in connection with injury of one person; \$10,000 for more than one person injured in one occurrence; and \$5,000 to cover property damage.

Table 2.- Selected operating data for Federal Crop Insurance programs, United States, 1956-59

Program and year	County programs	Insurance units <u>1/</u>	Maximum liability	Premium	Indemnity
	<u>Number</u>	<u>Number</u>	<u>1,000 dollars</u>	<u>1,000 dollars</u>	<u>1,000 dollars</u>
Wheat:					
1956-----	389	143,059	114,059	11,307	12,342
1957-----	390	117,330	88,363	8,107	4,859
1958-----	394	119,348	97,496	9,428	1,490
1959 <u>2/</u> -----	460	125,319	94,894	8,726	5,885
Cotton:					
1956-----	116	36,992	29,872	1,693	1,137
1957-----	119	25,635	18,035	1,107	593
1958-----	118	16,093	12,629	753	187
1959 <u>2/</u> -----	133	21,555	19,453	1,295	645
Flax:					
1956-----	52	13,415	5,566	647	347
1957-----	52	10,671	4,408	514	1,265
1958-----	55	9,712	3,558	410	185
1959 <u>2/</u> -----	71	10,621	3,914	456	740
Corn:					
1956-----	113	49,707	41,037	2,709	9,087
1957-----	115	40,456	28,319	2,230	1,025
1958-----	207	37,959	32,128	2,068	1,165
1959 <u>2/</u> -----	259	55,237	51,889	3,467	2,948
Tobacco:					
1956-----	143	114,329	59,113	2,176	618
1957-----	149	95,536	46,582	1,629	558
1958-----	151	90,810	48,221	1,650	310
1959-----	160	100,343	54,602	1,713	608
Dry, edible beans:					
1956-----	16	3,072	1,868	124	118
1957-----	16	2,817	1,697	107	110
1958-----	18	3,245	2,251	130	42
1959 <u>2/</u> -----	20	2,915	2,092	105	103
Multiple crops:					
1956-----	101	60,310	51,718	3,235	4,144
1957-----	124	69,327	48,000	3,346	2,785
1958-----	100	46,011	31,913	2,054	748
1959-----	56	22,141	22,319	1,304	2,199

See footnotes at end of table.

-Continued

Table 2.- Selected operating data for Federal Crop Insurance programs, United States, 1956-59 -Continued

Program and year	County programs	Insurance units ^{1/}	Maximum liability	Premium	Indemnity
	<u>Number</u>	<u>Number</u>	<u>1,000 dollars</u>	<u>1,000 dollars</u>	<u>1,000 dollars</u>
Citrus fruits:					
1956-----	2	1,118	1,529	107	23
1957-----	2	973	1,481	95	689
1958-----	4	1,628	4,071	265	40
1959 ^{2/} -----	5	1,795	4,808	313	88
Soybeans:					
1956-----	7	1,600	687	45	34
1957-----	7	1,400	743	50	33
1958-----	136	14,409	7,565	500	181
1959 ^{2/} -----	204	20,564	8,799	611	282
Barley:					
1956-----	9	1,931	1,294	102	39
1957-----	14	2,791	2,518	190	66
1958-----	29	4,940	3,861	311	121
1959 ^{2/} -----	84	9,052	6,039	534	574
Peaches:					
1957-----	1	113	148	37	19
1958-----	1	128	306	48	38
1959 ^{2/} -----	1	122	318	49	54
Grain sorghum:					
1959 ^{2/} -----	3	129	54	5	2
Oats:					
1959 ^{2/} -----	27	3,851	1,200	82	82
Total, all crops:					
1956-----	948	425,463	306,743	22,145	27,889
1957-----	989	367,049	240,294	17,412	12,002
1958-----	1,213	344,283	244,000	17,617	4,507
1959 ^{2/} -----	1,483	373,644	270,381	18,670	14,210

^{1/} An insurance unit usually represents each crop insured by an individual.
^{2/} Preliminary.

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<u>Limits</u>	<u>State</u>
5/10/1 -Cont.-----	Nevada, New Mexico, Oklahoma, Rhode Island, Utah, West Virginia, and Wyoming.
5/10/2-----	Missouri
10/20/1-----	Georgia
10/20/2-----	Minnesota and Vermont
10/20/5-----	Alaska, Arkansas, California, Colorado, Delaware, District of Columbia, Florida, Illinois, Indiana, Iowa, Maine, Maryland, Michigan, Nebraska, New Hampshire, New Jersey, New York, North Dakota, Ohio, Pennsylvania, South Carolina, South Dakota, Washington, and Wisconsin.
15/30/5-----	Virginia
20/20/1-----	Connecticut

FARM SAFETY INSTITUTE

The need for better farm safety education was stressed at the 14th annual conference of the National Farm Safety Institute, sponsored by the National Safety Council, held June 8-11, 1959. Major emphasis in 1960 will be on safety in the use of chemicals and in recreational activities. Rural traffic safety and safety in the use of machinery will be stressed in 1961.

Some special problems indicated by representatives of 13 States and Puerto Rico were: Hunting accidents (Pennsylvania), electric fences (Michigan), safe operation of farm machinery (Arkansas, Kansas, Mississippi, and Ohio), need for stop signs at farmland entrances (Minnesota), protective devices for machete-wielding sugarcane workers (Puerto Rico), and the hazard of tandem hitches on slow-moving tractors on highways (Wisconsin). A general need was felt for making farm ponds as safe as possible, as about 80,000 of them are being built annually.

INJURIES TO AGRICULTURAL WORKERS

Disabling injuries per 1,000 workers in California during the period 1952-58 averaged 41 percent higher for farmworkers than for all industrial workers. 1/ The rate for workers in agricultural services, such as for contract work done on farms, was even higher - 101 percent higher than for all industries. Whereas the trend in annual injury rates has been downward for agricultural service and all industrial workers, there has been no decline in the annual injury rates for farmworkers.

1/ From California Work Injuries, 1958, publication of California Division of Labor Statistics and Research, Department of Industrial Relations, San Francisco.

Table 1.- Disabling injuries in selected occupations per 1,000 workers, California, 1952-58

Year	Farmworkers	Agricultural service workers ^{1/}	All industrial workers
	Percent	Percent	Percent
1952-----	50.8	81.2	38.9
1953-----	46.6	71.4	36.3
1954-----	47.2	70.3	33.6
1955-----	48.7	65.5	34.8
1956-----	50.6	73.5	34.6
1957-----	49.5	58.8	32.4
1958-----	48.5	66.5	31.7
Average-----	48.8	69.6	34.6

^{1/} Includes workers for crop-dusting and -spraying organizations, crop-harvesting, and ditch-digging contractors, and so on.

The first nationwide conference on farm safety research, sponsored by the National Safety Council, in cooperation with the Farm Foundation and the U. S. Department of Agriculture, was held in Chicago, September 30-October 2, 1959. Subcommittees recommended research in four areas: Medicine, statistics, engineering, and the humanities. Subareas of investigation included (1) the relationship between human factors and accident incidence, (2) an evaluation of past studies of farm accidents as to scope and methods, and (3) the part that the engineering and medical services can contribute toward the safety of farm people.

RESEARCH PROJECTS IN AGRICULTURAL FINANCE

Agricultural Credit; Farm Financial Management; Agricultural Risks and Insurance; Farm Taxation, Local Government and Public Finance; and Farm Real Estate Values

The following research projects are currently "in progress" in the field of agricultural finance in the State agricultural colleges and State agricultural experiment stations, and in the Farm Economics Research Division, ARS, unless otherwise indicated. Projects listed by States were reported directly by the State institutions. The objectives of each project are briefly described. This list does not include the many related research activities of other agencies, such as projects of the Farm Credit Administration, the Farmers Home Administration, and the State tax commissions, much of whose research is directed primarily toward administrative problems.

AGRICULTURAL CREDIT

Alaska: AGRICULTURAL CREDIT IN ALASKA (ANALYSIS OF CURRENT SITUATION AND ANTICIPATED REQUIREMENTS).-- Objectives of this study are to determine (1) availability, adequacy, and anticipated demand for agricultural credit in Alaska, (2) the capital needs for processing and marketing agricultural products, (3) the capital requirements and debt-paying ability of the major types of farms, and (4) to develop recommendations for a better agricultural credit system. Leaders: Charles F. Marsh, H. P. Gazaway, and J. R. Parks.

Alabama: CREDIT EFFECTS ON FARMERS' DEMANDS FOR FERTILIZER IN ALABAMA.-- The major objectives of this project are (1) to determine the kinds and amounts of fertilizer used on specific crops and pastures, (2) to study the relationship between farmers' use of and access to credit, and their buying, storing, and applying practices as related to fertilizer and lime, (3) to determine the policies of credit agencies relative to terms of repayment, rates of interest, security required, and other pertinent data related to fertilizer loans as compared with other production loans, and (4) to determine the acceptance of high-analysis fertilizers and the characteristics of farms and farmers using high-analysis fertilizers, and to explore the possibilities for greater use of such fertilizers through adequate financing or otherwise. Basic data for the study are to be obtained from a representative sample of farmers in all major type-of-farming areas in the State, and from a sample of lending institutions and individuals making fertilizer loans to farmers. The project is cooperative between the Alabama Agricultural Experiment Station and the Tennessee Valley Authority. Leader: Joseph H. Yeager; Assistant Leader: Owen D. Belcher.

Alabama: FINANCING OF RURAL HOUSING.-- The major objectives of this project are: (1) to examine and evaluate the institutional framework of existing sources of credit for the construction or improvement of rural homes, or both; (2) to examine and evaluate the practices and uses of existing credit facilities by rural families, and to determine their adequacy in terms of the needs of rural people; (3) to determine the extent to which rural housing, within the

ability of rural people to pay, is not now available because of the inadequacy of rural housing credit facilities; and (4) to reveal possible refinement and improvements needed in existing rural housing credit institutional policies and practices to meet the needs of rural people. Basic data for the study are to be obtained from a representative sample of rural residents in the "Old Cotton" South - Mississippi, Alabama, Georgia, and South Carolina. Additional data are to be obtained from a sample of all major institutional and individual lenders in the area that are either actual or potential lenders for rural housing. Secondary data will be used also when available and if appropriate. The project is to be handled under provisions of a contract-grant fund arrangement between the Alabama Agricultural Experiment Station and the Federal Housing and Home Finance Agency. Control-check studies on a less intensive basis are being carried out in Colorado and Missouri. Leaders: Ben T. Lanham, Jr. and J. H. Yeager; Assistant Leaders: Boyd B. Rose and James R. Hurst.

Arkansas: FARMER'S USE AND KNOWLEDGE OF CREDIT IN SELECTED COUNTIES OF ARKANSAS.- The objective of this study is directed toward ascertaining the magnitude and use of credit for production, real estate, and other purposes on cotton and general farms in the Delta counties of northeastern Arkansas. Information is being obtained from both borrowers and lenders. Policies and terms are being analyzed for the major types of loans and agricultural credit agencies. The producer phase is concerned with the use made by farmers of the various sources of credit and the type of loans obtained. In addition, information is being obtained on their knowledge of alternative sources, and why they prefer to use the particular source of credit they are using. Leader: Jim J. Gigoux.

California: ECONOMICS OF ADJUSTMENTS ON CALIFORNIA COTTON FARMS.- This study undertakes to analyze the physical and financial organization, enterprise structure, and earning performance of typical cotton farms before and after the 1954 cotton acreage allotments. It considers changes in enterprises, capital goods and investments, and production technology, and evaluates the resulting economic impacts on total farm earnings. Leaders: Trimble R. Hedges and J. Edwin Faris; Douglas Caton and M. L. Upchurch (cooperative with FERD-ARS, USDA).

California: CAPITAL STRUCTURE OF CALIFORNIA AGRICULTURE.- A large-scale inquiry into the capital structure and requirements of major California agricultural industries. A preliminary inquiry into the sources of capital used in dairy production, the capital requirements under various production conditions and current methods of extending credit by commercial lenders. The two major private sources of capital have been contacted and some preliminary information obtained. Leader: C. O. McCorkle. Project supported partly by grant from the Bank of America, N. T. & S. A.

California: COOPERATIVE FINANCING THROUGH REVOLVING FUNDS.- A large-scale and continuing analysis of the requirements of California cooperatives for financing and the means of meeting such needs through revolving fund methods. California Agricultural Experiment Station Project No. 1474. Leader: James M. Tinley.

California: FINANCIAL STRUCTURE OF CALIFORNIA AGRICULTURE.- A phase of this project embraced an analysis of the farm owner's position in relation to other forms of investment. Leader: M. R. Benedict, with Irving F. Davis, Jr. handling this phase of the overall project.

California: OPTIMUM WATER RESOURCE INVESTMENT.- The study centers primarily on agricultural demands for water. Data to be used in the analysis have been obtained from the California Department of Water Resources. Programming methods will be employed with a measure of marginal "benefits" associated with increments in investment constituting the essential criterion for appraising optimum level of investment. Part (a) of this study is essentially complete but subject to further revision. Work is currently active in the explicit formulation of the quantitative model referred to in part (b) and in the initial phases of empirical analyses in part (c). Leader: I. M. Lee.

Connecticut: AGRICULTURAL CREDIT INSTITUTIONS.- The purpose of this project is to examine the capital problem as a whole, credit requirements and lender specialization, lender policies, and problems of agricultural finance. This study is part of the program of the National Bureau of Economic Research, Inc. Leader: George K. Brinegar.

Illinois: A STUDY OF CREDIT NEEDS OF ILLINOIS FARMERS AND PROBLEMS INVOLVED IN SATISFYING THESE NEEDS. Leaders: G. L. Jordan, Clarence O. Davis, and Richard E. Capra.

Illinois: A STUDY OF THE LEGAL FRAMEWORK SURROUNDING THE USE OF LAND CONTRACTS IN ILLINOIS, AND OF SPECIFIC ECONOMIC AND LEGAL CHARACTERISTICS OF LAND CONTRACTS IN USE IN SELECTED COUNTIES IN ILLINOIS. Leaders: N. G. P. Krausz, F. J. Reiss.

Indiana: USE OF CREDIT BY INDIANA FARMERS.- A recently completed phase of this work, now being published, examined the kinds, amounts, and sources of credit used by a sample of Indiana farmers. The nature and extent of capital rationing was also examined and indications were obtained as to farmers' attitudes toward and knowledge of credit use. Current work is directed toward more detailed analysis of farmers' credit use and financial conditions and their debt-repayment ability. Leaders: J. H. Atkinson, M. R. Janssen and Leon Hesser (cooperative with FERD-ARS, USDA).

Kansas: AGRICULTURAL CREDIT AND FINANCE.- Studies of needs, sources, and use of short-, intermediate-, and long-term credit will be made in various parts of the State. Special emphasis is given to the use of credit in establishing such farm improvements as irrigation, and the increased costs and returns resulting from such improvements. A continuing series of prices reported for land with improvements, also pastureland, are kept current by type-of-farming areas in Kansas. Cash rentals for pastureland are calculated for each county and averages for the areas. Leader: Merton L. Otto.

Louisiana: BARGAINING AND PURCHASING CO-OPS FOR LOUISIANA FARMERS.- This project is intended as: (1) survey of about 125 co-ops in Louisiana to

determine present bargaining and purchasing activities; and (2) to construct efficient model structures for existing co-ops, as well as model structures for co-ops to be organized in the future. Leader: E. P. Roy.

Maine: FINANCIAL STRUCTURAL REQUIREMENTS DESIRED FOR CONTINUED DEVELOPMENT OF MAINE AGRICULTURE.- Objectives are: To appraise financial (fiscal) input and output factors in both production and marketing on Maine farms and to suggest financial structural changes to meet changing agriculture in production and marketing. The procedure for this study will consist of three phases: (1) Assembling of secondary information supplemented by personal surveys on (a) capital structures and operating costs, (b) taxes paid, directly and indirectly, and (c) market outlets of farm production; (2) analysis to provide information on (a) amounts of credit obtained and needed for efficient operation and the cost of such credit, (b) taxes paid in relation to approximate gross and net income, and (c) quantity and quality of agricultural products sold through various market outlets; (3) a synthetic approach to meeting fiscal requirements for changing agriculture. Leader: Charles H. Merchant.

Michigan: ATTAINING FARM OWNERSHIP THROUGH LAND CONTRACTS.- A study of the legal and economic aspects of attaining farm ownership through the use of land contracts. Data now assembled from 101 buyers and 33 sellers by the field-visit procedure. Leader: E. B. Hill.

Michigan: THE SUPPLY OF CREDIT FOR INDIVIDUAL FARMS.- An attempt to measure the quantities of credit available for a schedule of interest rates under various equity conditions. Leaders: Glenn L. Johnson and Sidney Bell.

Michigan: INCORPORATION AS IT INFLUENCES THE USABILITY OF CREDIT IN MANAGING ESTATES. Leaders: Glenn L. Johnson and Paxton Marshall.

Michigan: CHANGING CAPITAL AND CREDIT NEEDS OF MICHIGAN AGRICULTURE.- Data have been collected from farm surveys and will be used to program capital and credit needs of Michigan dairy farmers. Leader: John R. Brake.

Minnesota: AN ANALYSIS OF RETAIL FEED DEALERS AS A SOURCE OF PRODUCTION CREDIT FOR MINNESOTA FARMERS.- The objectives of this study are: (1) To survey retail feed dealers to learn the extent to which they engage in the granting of "accounts receivable" credit and the terms of this credit; (2) to make case studies of several of these dealers in order to determine the cost of this credit; (3) to investigate the degree of shifting this cost to the farmer; (4) to evaluate this source of credit as to its desirability to both dealer and farmer; and (5) to investigate alternative sources of credit to fulfill this credit need. Leader: Reynold P. Dahl.

Missouri: ANALYSIS OF THE LIQUIDATION OF PRODUCTION LOANS.- The purpose of this study is to determine the relationship between size of business and the buyer's equity as shown by his financial statement and rate of liquidation of production loans. The data will come primarily from financial statements submitted by people who borrow from production credit associations and the Farmers Home Administration. Some data may be obtained from commercial banks. Leaders: Frank Miller and John Hildebrand.

Montana: **AN ANALYSIS OF AGRICULTURAL PRODUCTION CREDIT IN THE DRYLAND GRAIN FARMING AREAS.**- This consisted of two phases, both of which are nearing completion. One phase dealt with factors affecting credit availability, including lenders' attitudes. The other phase dealt with factors affecting credit use, including borrowers' attitudes. Findings are reported in two manuscripts now in process: Leaders: Don Bostwick, James Esmay, and Clarence Jensen (cooperative with FERD-ARS, USDA).

Montana: **MERCHANT AND DEALER CREDIT EXTENDED TO MONTANA FARMERS.**- Objective is to determine the amount of non-real-estate credit extended to Montana farmers by merchants and dealers in the State and the interrelationships between this and other forms of production credit. Attempts will be made to determine costs, incidence of costs, and factors affecting the use of mercantile credit. Leaders: Jack R. Davidson and Ted Witzel.

Nebraska: **KNOWLEDGE OF, ATTITUDES TOWARD, AND USE OF, CREDIT AMONG NEBRASKA FARMERS.**- Objectives are: (1) To determine the sources and amounts of credit used by farmers, the purposes for which the money was obtained, and the terms on which it was borrowed; (2) to ascertain the factors that tend to restrict unduly farmers' use of credit; and (3) to provide information to farmers and to credit agencies that will facilitate credit financing of agriculture. Leader: Loyd K. Fischer (cooperative with FCA).

North Carolina: **POLICY DECISIONS ESSENTIAL IN ACCELERATING THE ECONOMIC DEVELOPMENT OF LOW INCOME AREAS.**- The objectives of this study are as follows: (1) To describe and analyze the scope and interdependence of economic decisions of various types of farms, business firms, governmental units and institutions operating within a geographic area such that policy decisions essential to accelerated development of the area may be specified; (2) to determine the rate and extent of change in the level of economic activity within the area resulting from alternative policy decisions; (3) to describe changes in the organizational structure of the area resulting from alternative policy decisions. A portion of this study is concerned with: (1) The credit policies of financial institutions serving agriculture; (2) the policies of business firms capable of integrating their activities through contracts and other means with functions performed on the farm (the agribusiness sector); (3) governmental policies pertaining to the Soil Bank and to price supports and production controls for farm products; (4) the policies of firms and institutions which, with expansion, could be expected to employ labor released from farms. Leader: Quentin W. Lindsey.

North Dakota: **THE AVAILABILITY AND USE OF CREDIT IN NORTH DAKOTA.**- This study consists of an evaluation of policies and practices of selected North Dakota lending agencies. The study is designed to evaluate the lending procedures and practices of the major agricultural lending agencies. An analysis of a sample of loans from each agency is being compiled. These data will provide a basis for an analysis of lending activities of each agency studied. Leaders: Donald E. Anderson and Delmar Helgeson.

Ohio: **CHANGES IN OHIO FARMLAND VALUES AND THEIR CAUSES, AND THE USE OF MORTGAGE CREDIT.**- This study has been continued since 1940 for the basic

purpose of providing a current picture of the land price, market activity, and farm-mortgage credit situation in Ohio. As significant changes appear, analysis is made of their causes and their subsequent effects. Farm real estate situation reports are also made periodically on the basis of data collected. Leaders: R. A. Bailey, and W. A. Wayt.

Ohio: A STUDY OF DISTRESS SITUATIONS - THE USE AND MANAGEMENT OF CREDIT BY OHIO FARMERS.- This title covers a series of component studies directed toward analysis of distress situations. Current emphasis is on a survey of unplanned renewals of operating and capital credit and analysis of the role of such renewals in credit distress. Leader: R. A. Bailey.

Oklahoma: DAIRY ENTERPRISE MANAGEMENT.- This study includes an analysis of the demand by dairy farmers for credit from various sources and at varying rates of interest; an analysis of alternative uses for investment and operating capital on dairy farms. Leader: Clark Edwards.

Rhode Island: FARM LOAN PRACTICES IN RHODE ISLAND.- This project is intended to analyze farm loan practices in Rhode Island from the viewpoint of interest rates, length of loan, type of loan, and relationships between type of farm operation and loan practices. Leaders: Niels Rorholm, E. B. Hogan, and Charles Congdon, Jr.

South Carolina: IMPROVING CREDIT SERVICES TO AGRICULTURE.- The study is designed to determine and evaluate present lending policies and practices of farmers' cooperative credit banks in South Carolina, North Carolina, and Georgia; to evaluate farmer knowledge and use of credit and to analyze farmers' future needs for credit; to recommend measures that might improve credit services to agriculture in view of the changing agricultural structure in the three-State area. The credit aspects of contract farming and vertical integration are to be emphasized. Leaders: George von Tungelin and G. H. Aull (cooperative with the Farm Credit Administration of Columbia, S. C.).

Tennessee: A STUDY OF THE KNOWLEDGE AND ATTITUDES OF TENNESSEE FARMERS CONCERNING CREDIT PRACTICES AND SOME EFFECTS ON CREDIT MANAGEMENT AND CREDIT COST.- Farmers' attitudes toward the use of credit and toward agencies are to be analyzed in relation to some of the causal factors involved. Their borrowing decisions are to be analyzed in relation to knowledge of credit sources and attitudes toward credit. Leader: R. G. F. Spitze.

Tennessee: FINANCIAL ASPECT OF AGRICULTURAL ADJUSTMENTS.- This study will analyze capital needed to adjust from the present cotton system in the Eastern Hill Area of western Tennessee to alternative conservation systems of farming. Leaders: T. J. Whatley and S. W. Atkins (cooperative with FERD-ARS, USDA).

Tennessee: FINANCIAL ASPECTS OF AGRICULTURAL ADJUSTMENTS IN LOW-INCOME AREAS.- Data will be collected to determine resources held by rural families, the use made of these resources, and the income obtained. Attitudes toward certain economic adjustments including the use of credit will be enumerated. Future alternatives of rural people to improve their economic status will be

evaluated. The impact of farm adjustments on nonfarm institutions including financial agencies will be analyzed. Leaders: H. A. Henderson, S. W. Atkins, and T. J. Whatley (cooperative with FERD-ARS, USDA).

Tennessee: **IMPACT OF INDUSTRIALIZATION UPON TENNESSEE AGRICULTURE.**- Among other things, the study will analyze changes in the local capital market in respect to: (1) Changes in supply of capital available to farmers through local institutions as a result of increased income in the community; (2) changes in demand for credit and use of capital by farmers for production investment uses. Leader: J. A. Martin.

Texas: **THE NEED AND AVAILABILITY OF CREDIT FOR MAKING RECOMMENDED AGRICULTURAL ADJUSTMENTS.**- This is a study of credit needs of representative farmers as they make changes (both long- and short-time) in production practices and in land use. Involved also are an analysis of the availability of credit, a survey of sources of credit, and a study of credit costs for making farm adjustments. Leaders: Donald S. Moore, A. C. Magee, Ralph H. Rogers, and Jarvis Miller (cooperative with FERD-ARS, USDA).

Vermont: **CAPITAL PROBLEMS ASSOCIATED WITH THE TRANSFER OF OWNERSHIP OF VERMONT DAIRY FARMS.**- This is a subproject of our overall project entitled "Meeting the Capital Requirements of Vermont Agriculture." It is a study of a selected group of dairy farmers, aimed at determining sources of owned capital, sources of credit and methods of financing, debt repayment and net worth changes since time of purchase, and beliefs and values as to farm ownership, purchase methods, and debt. These findings will be related to size of farm, family characteristics, efficiency of resource use, and related factors. Leaders: Robert O. Sinclair and Gordon E. Butler.

Wisconsin: **WISCONSIN LAND TENURE.**- This study of tenure factors that affect use of rural land in Wisconsin includes examination of the role of agricultural credit in helping young people get established in farming and in developing the farm business. Leaders: Raymond J. Penn and J. H. Beuscher.

Wisconsin: **THE ROLE OF AGRICULTURAL CREDIT IN FARM DEVELOPMENT.**- This study investigates three questions that are important in determining to what extent agricultural credit can be used to speed farm development, especially on low-income farms: (1) Can low-equity financing work commercially? (2) Does supervised credit increase the effectiveness with which credit is used? and (3) What has been the effect on farm income and development of credit that was used directly for development purposes? Examines the experience of farmers having loans with Farmers Home Administration for 5 or more years. Leaders: S. D. Staniforth and Rudolph A. Christiansen (cooperative with FERD-ARS, USDA).

ARS (Farm Economics Research Division): **FINANCING THE PRODUCTION OF TABLE EGGS.**- The objective of this project is to determine the effect of contracting on the capital requirements, financial security, and financial returns of egg producers, and on efficiency in production of eggs. Leader: F. D. Hansing.

ARS (Farm Economics Research Division): **CHARACTERISTICS OF FARM-MORTGAGE CREDIT.**- This study is intended as an analysis of farm-mortgage credit in relation to ratio of debt to value, size and value of farm, type of lender, interest rates, and State and geographic area. Data for the analysis are to be taken from the agricultural censuses and the cooperative farm-mortgage surveys with the Bureau of the Census for 1945, 1950, 1956, and 1960.

Leader: Q. F. Dallavalle.

ARS (Farm Economics Research Division): **CURRENT ANNUAL ESTIMATES OF FARM-MORTGAGE DEBT.**- Estimates of farm-mortgage loans held by principal lender groups are to be developed for the current year, by States. Techniques for estimating annual changes in farm-mortgage debt will be improved when possible. In cooperation with the Bureau of the Census, a farm-mortgage survey will be made in 1960 to determine benchmark estimates of farm-mortgage debt, and number, acreage, and value of mortgaged farms by lender, tenure of farm operator, and State. Leader: Q. F. Dallavalle.

ARS (Farm Economics Research Division): **ANNUAL CHANGES IN FINANCIAL STRUCTURE OF AGRICULTURE.**- Under this project, annual balance sheets of agriculture are to be prepared and analyzed in relation to their significance for the farmer and the economy as a whole. Leaders: N. J. Wall, F. L. Garlock, W. H. Scofield, F. D. Hansing, and Q. F. Dallavalle.

ARS (Farm Economics Research Division): **NON-REAL-ESTATE DEBT OF FARMERS.**- This project is designed to maintain a series showing the amount of non-real-estate debt of farmers and to determine the characteristics and terms of credit extended by the major lenders. Leader: F. L. Garlock.

ARS (Farm Economics Research Division): **NON-REAL-ESTATE AGRICULTURAL CREDIT FACILITIES IN THE UNITED STATES.**- The aim is to study the major types of non-real-estate credit institutions, with particular reference to organization, financial structure, and nature and effectiveness of operations. Leader: F. L. Garlock.

ARS (Farm Economics Research Division): **METHODS OF FINANCING DESIRABLE FARM ADJUSTMENTS.**- This project is designed to study the methods used in financing major adjustments on farms, including adoption of soil-conserving practices and adjustments on low-income farms, and to explore the possibilities of developing new financing arrangements that would facilitate adoption of desirable farming adjustments. Leaders: F. L. Garlock and E. T. Hamlin.

ARS (Farm Economics Research Division): **FINANCIAL OBSTACLES TO DESIRABLE FARM ADJUSTMENTS.**- This project will study the extent to which inadequate capital, low incomes, inadequate or poorly adapted credit facilities, or aversion of farmers to debt, may impede the progress of farmers in making desirable farm adjustments. Leaders: F. L. Garlock and E. T. Hamlin.

ARS (Farm Economics Research Division): **FARM FINANCIAL AND CREDIT OUTLOOK.**- The aim is to obtain information on changes during the last year in the financial and credit situation of farmers, the outlook for the year ahead, and reasons for changes, both past and prospective. Data are obtained

annually from representative farmers, merchants, dealers, and lending institutions located in selected counties throughout the country. Leaders: N. J. Wall, F. L. Garlock, W. H. Scofield, F. D. Hansing, Q. F. Dallavalle, and W. L. Olson.

ARS (Farm Economics Research Division): FLOW OF BANK DEPOSITS AND EFFECTS ON LOANS OF COUNTRY BANKS.- The objective is to measure the flow of bank deposits from or to agricultural areas and to determine the effects of changes in deposits on the lending power of banks in agricultural areas. Leader: F. L. Garlock.

ARS (Farm Economics Research Division): CHARACTERISTICS OF FARMERS HOME ADMINISTRATION BORROWERS AND THEIR LOANS.- This project is intended to provide information on FHA loan characteristics, such as type, original amount, amount outstanding on June 30, 1956, security and repayment status, and on borrower characteristics such as location, tenure, net worth, age, and 1955 gross cash income. The basic data were provided by FHA county offices for a sample of about 25,000 active borrowers, which is about one-seventh of the total number of active borrowers. Tabulations of the data have been completed and analysis of the results started. Leaders: Q. F. Dallavalle, Betty A. Case, and F. L. Garlock.

ARS (Farm Economics Research Division): ANALYSIS OF FARMERS' FINANCIAL CONDITION, TENURE, LAND OWNERSHIP, AND LAND PRICES IN RELATION TO PROBLEMS OF AGRICULTURAL ADJUSTMENT IN THE GREAT PLAINS.- The objectives of this study are to obtain for the 10 Great Plains States current information on the following subjects and to appraise their relation to the problems of agricultural adjustment: The financial condition of farmers, including composition and sources of credit; tenure arrangements, including absentee ownership, increases in farm size, and consolidation of farm units; characteristics of rural land ownership, including types of ownership interest and reasons for holding land; and farmland transfers, including characteristics of land transfers, types of buyers and sellers, reasons for transfer, and factors influencing land prices. Several reports on this project are being prepared for publication. Coordinating committee: F. L. Garlock, W. H. Scofield, and H. L. Hill.

ARS (Farm Economics Research Division): FINANCIAL CONDITION OF FARM OPERATORS.- This project is designed to determine: (1) Effects of recent changes in farm income and in the nature and amount of the capital used in farming, and the effects of drought, acreage allotments, and related factors on the financial condition of farm operators; (2) the extent to which farmers are having difficulty in maintaining their capital assets, in meeting their debt and tax obligations, and in raising the funds necessary to carry on or to enlarge or otherwise adjust their farming operations; and (3) the means by which young people and others are raising the capital necessary to get started in farming. Leaders: F. L. Garlock, Q. F. Dallavalle, and W. H. Scofield.

FARM FINANCIAL MANAGEMENT

Alabama: THE INFLUENCE OF BUSINESS ARRANGEMENTS ON CAPITAL ACCUMULATION OPPORTUNITIES AND DIFFICULTIES IN FARMING.- The major objectives of this project are (1) to prepare economic conceptual models covering fundamental business issues involved in various alternative capital accumulation arrangements, (2) to observe in detail under actual farming conditions on case-study bases the fundamental business-arrangement issues and the associated difficulties and opportunities of such arrangements, (3) to determine the business-arrangement status of the farm situation studies in the interests of facilitating an improvement in the framework used in capital accumulation, and (4) to identify the barriers precluding or retarding adequate capital accumulation and to analyze these barriers in the interest of their elimination or in the reduction of their impact. Leader: E. D. Chastain, Jr.

Michigan: GETTING ESTABLISHED IN FARMING.- This study is part of a North Central regional project of the same name. Information has been obtained as to: (1) The capital and other resources in the hands of young farmers when they started to farm on their own; (2) the major sources by which young farmers attained capital and other resources needed to farm; and (3) progress of capital accumulation after starting to farm. Leader: E. B. Hill.

Missouri: FARM FAMILY FINANCIAL MANAGEMENT.- Work on this project completed to date shows that farmers do not look upon credits as a resource that can be used to control optimum combinations of land, labor and capital in farm businesses. The work in progress is directed toward determination of the extent of family planning to achieve financial security, both present and future. Leaders: Frank Miller, Patricia L. Benson and Harold Bohling (cooperative with Iowa Agricultural Experiment Station).

Nebraska: FARM CAPITAL STRUCTURE AND CREDIT USE IN THE TRANSITION AREA.- This study is a phase of the overall project, "Agricultural Adjustments in the Transition Area." Objectives are to determine the relative effects of size of business, economic environment, and other factors on financial progress; to find the effect of recent adverse crop conditions on level of net worth and family-consumption spending; and to appraise farmers' opinions on uncertainties of returns from various crop and livestock enterprises. Leaders: Roger Willsie, Philip A. Henderson, and Howard W. Ottoson.

Ohio: IMPROVING THE FINANCIAL MANAGEMENT OF AGRICULTURAL BUSINESS FIRMS.- This study has analyzed the extent of different financing instruments, their advantages and disadvantages, used by 41 business organizations operating in Ohio on a capital stock and nonstock basis. Projections have been made to 1965 based on the financing trends of selected years from 1940 to 1957. Leader: G. F. Henning.

Oklahoma: FARM FINANCIAL NEEDS AND PROBLEMS OF OKLAHOMA FARMERS.- This is a study of capital acquisition, capital growth, and problems of risk in capital investments. Current emphasis is on the capital problems of serious and moderate low-income areas of southeastern Oklahoma. Leaders: G. P. Collins and L. F. Miller.

Oregon: CAPITAL ACCUMULATION IN THE CONTEXT OF THE AGRICULTURAL "FARM HOUSEHOLD".- The project investigates the effect of the consumption-investment decisions of the operator and his family in the allocation of net income on the rate of capital accumulation by the farm firm. The effect of these decisions will be hypothesized in formulas based on two ratios: (1) Net income to total capital investment; and (2) consumption to net income. The effects of income tax and liquid reserves against risk will be recognized. The validity and application of the formulas will be analyzed in testing them against a sample of farms in Marion County, Oreg. Leaders: E. N. Castle and Varge Gilchrist.

Oregon: THE CORPORATE FORM OF OWNERSHIP FOR FAMILY FARMS AND RANCHES.- The core of this project is an evaluation of the corporate form of ownership as a means of surmounting certain finance-related problems of modern farming. Evaluation is approached on the basis of: (1) Capital formation and transfer; (2) credit; (3) liability limitation; (4) taxation; (5) possible separation of ownership and management; and (6) organizational problems and costs, license fees, accounting, annual report requirements, and so on. More than 100 incorporated farms and ranches in Oregon are being studied for situation characteristics, corporate organizational patterns, and operating experiences as corporations. Leaders: Grant E. Blanch and Dean Hubbard.

Oregon: THE FINANCIAL STRUCTURE OF OREGON FARMS.- This investigation is the first phase of a continuing, multiple-facet project entitled "Financial and Taxation Problems of Oregon Farmers." This initial phase investigates: (1) Total capital and classification of capital invested in different types and sizes of farms in Oregon; (2) types and amounts of other assets held; (3) liabilities and nature of liabilities relative to current, intermediate, and long term; (4) methods used in managing financial resources to protect equity of farmers and place limits of liability on them. From analysis, guidelines constituting a sound balance in the composition of assets and liabilities for different types and sizes of farms will be developed. Alternative and economical means of protecting equity capital under different sets of situations will be developed and evaluated. Leaders: Grant E. Blanch and Robert Welch.

Pennsylvania: FINANCIAL MANAGEMENT PRACTICES OF DAIRY FARMS IN THE LIMESTONE VALLEYS OF PENNSYLVANIA.- The general objective is to determine the financial problems and practices of dairy farmers. Data have been collected by survey and a report is in preparation. Leaders: Robert F. Hutton and F. L. Garlock (cooperative with FERD-ARS, USDA).

ARS (Farm Economics Research Division): ESTIMATES OF FINANCIAL ASSETS OWNED BY FARMERS.- This study is designed to determine the amount of bank deposits, currency, United States savings bonds, and investments in cooperatives owned by farmers. Leader: F. L. Garlock and F. D. Hansing.

ARS (Farm Economics Research Division): FARM FINANCIAL MANAGEMENT.- The aim is to determine practices of farm people in handling income, using credit, and making investments that improve the farm business, minimize financial risks, and facilitate the fulfillment of family and home objectives. Leader: F. L. Garlock.

AGRICULTURAL RISKS AND INSURANCE

Georgia: **STUDY OF FARM MUTUAL FIRE INSURANCE COMPANIES OF GEORGIA.**- This study covers: (1) Basis for differential rates; (2) risk-reduction factors; (3) reinsurance and coinsurance; and (4) other factors affecting premium rates and limiting the size of their maximum insurable risks. Leader: Jack C. Thompson.

Indiana: **FACTORS RELATED TO FARM PROPERTY INSURANCE COVERAGE.**- This project was designed to study factors associated with the total amount of mutual insurance on farm property in the Midwest and to determine what factors are associated with farm-to-farm differences in amounts of farm property insurance coverage. A further objective was to obtain reactions of farmers to deductible policies, package policies, additional perils, and so on. A survey of central Indiana farmers has been completed, the data have been analyzed, and findings are being published. Further efforts in this area will be aimed at determining ways by which the Farm Mutual Insurance Industry can better serve the insurance needs of farmers. Leader: J. H. Atkinson.

Louisiana: **VARIABILITY OF CROP YIELDS, RISK AND CROP INSURANCE IN LOUISIANA.**- This project is intended to analyze yield variability of predominant crops and relate this to need and availability of crop insurance. Leader: F. H. Wiegmann.

Montana: **AGRICULTURAL RISKS AND UNCERTAINTY.**- (1) This is a study of the effectiveness for Montana dryland farmers of crop and hail insurance in adjusting to weather risks. Includes a study of farmer attitudes toward insurance and planning, and their role in insurance decisions. Leaders: Gordon Rodewald, Don Bostwick, and Clarence Jensen (cooperative with FERD-ARS, USDA).

Montana: **EFFECTS OF FARM DISPERSION.**- The objective of this study is to determine the effect of varying degrees of spatial diversification on the stability of crop yields and incomes, with the data analyzed in terms of the net effect on farm incomes and survival of the farm business. Leaders: Clarence Jensen, Darrel Nash, and Don Bostwick (cooperative with FERD-ARS, USDA).

Oklahoma: **AN ECONOMIC ANALYSIS OF THE EFFECTS OF FIRES ON INSURANCE AND OTHER COSTS AT COTTON GINS.**- This is a study to determine the effect of preventive devices and practices on the frequency of gin fires and related costs to ginneries, the types and rates of fire insurance available to ginneries, and the relation of losses to premiums for gin fire insurance. Leaders: M. L. Fowler and L. F. Miller.

Oklahoma: **AN ECONOMIC APPRAISAL OF ALTERNATIVE SYSTEMS OF FARMING AND RANCHING IN THE HIGH-RISK AREAS OF OKLAHOMA.**- This is an analysis of the nature and magnitude of income variability associated with farming systems in a high-risk area. Alternative adjustments in the farm-ranch organization and the financial structure of the farm or ranch are to be examined for their impacts on the level and variability of income. Leaders: J. S. Plaxico and Robert W. Greve (cooperative with FERD-ARS, USDA).

Tennessee: AN ECONOMIC ANALYSIS OF THE EFFECTS OF FIRES ON INSURANCE AND OTHER COSTS AT GINS.- This study was made during the years 1956 to 1958 and was part of a gin fire loss study of sample gins scattered throughout the Cotton Belt. During the 3-year period, the annual total losses resulting from fires averaged \$334.00 per gin, \$170.00 per fire and 19.5 cents per bale ginned. A bulletin on Cotton Gin Fires and Losses in Tennessee is to be published by the Tennessee Agricultural Experiment Station in March or April 1960. Leader: B. D. Raskopf.

Texas: AN ECONOMIC ANALYSIS OF THE EFFECT OF FIRES ON INSURANCE AND OTHER COSTS OF TEXAS GINS.- Data have been obtained from a stratified sample of Texas gins to determine the effect of prevention devices and practices on the frequency and extent of gin fires and the related cost to ginners as well as the relation of premiums for gin fire insurance to losses. Information is to be obtained from insurance companies that serve gins, and other sources have provided information concerning trends in types of and rates for fire insurances available to ginners. Leaders: R. L. Hunt and J. M. Ward.

Texas: THE RANCH CREDIT SITUATION IN TEXAS DURING THE 1950-57 DROUGHT AND THE EARLY RECOVERY PERIOD.- In addition to a recent survey dealing with the effects of drought on ranchers' credit, the expanded study covering the post-drought period added objectives were to determine (1) The extent of rancher liquidation during the 1950-57 drought period; (2) the extent of the ranchers' recovery from financial losses sustained during the drought and the extent to which repayment of accumulated drought debts have been possible; (3) the need and adequacy of additional credit for restocking and other purposes following the drought; (4) how the financial strength of the credit institutions was affected by the drought. Leader: Harley Bebout.

ARS (Farm Economics Research Division): FARMERS' MUTUAL FIRE, WINDSTORM AND CROP-HAIL INSURANCE IN THE UNITED STATES.- Objectives of the project are to study the operating practices of farmers' mutual fire, windstorm, and crop-hail insurance companies from the viewpoint of their improvement; to prepare summaries of the numbers of such companies, their outstanding insurance, and the amount of their income from members, losses paid, operating expenses, and safety funds, by States; and to analyze currently the problems and trends in such insurance, as indicated by special surveys. Leaders: Ralph R. Botts, John C. Ellickson, and John D. Rush.

ARS (Farm Economics Research Division): LIFE AND CASUALTY INSURANCE AND ACCIDENT PREVENTION.- Aims of the project are to study insurance programs affecting farm people, including life, accident and sickness, hospital, surgical, public and employer's liability and workmen's compensation insurance, from the standpoint of their adequacy in meeting farmers' needs and equity of cost among farmers; to study the insurance programs of farm families and means of adapting life and other insurance to meet changing needs and circumstances; to analyze the effect of Social Security on life insurance programming, retirement, tenure, and other aspects of farming; to learn the more common causes of farm accidents and means of preventing them; to determine farm accident costs; and to prepare safety material based on accident studies. Leaders: John C. Ellickson, John D. Rush, and Ralph R. Botts.

ARS (Farm Economics Research Division): ORGANIZED RURAL FIRE PROTECTION IN THE UNITED STATES.- Objectives of the project are to follow developments and analyze new legislation in the field of organized farm fire protection; to ascertain what financial and other arrangements are involved between farmer groups and towns, which usually provide or cooperate in providing farm fire protection; and to measure the effectiveness of rural fire-protection services, as indicated by farm mutual fire insurance experience in areas having various degrees of rural fire protection. Leader: John D. Rush.

ARS (Farm Economics Research Division): RISK AND RISK-BEARING IN AGRICULTURE.- Objectives are to study the economic significance of fluctuations in weather and other agricultural risks with respect to the structure and functioning of farm units, with emphasis on the uncertainty of farm income and yields by crops, and to examine various methods of risk-bearing that afford possibilities of increasing the stability of farm income. Leaders: Ralph R. Botts and Gordon Rodewald.

ARS (Farm Economics Research Division): FARM FIRE LOSSES.- The aim is to maintain a series on the annual amount of farm fire losses in the United States and to analyze survey data to ascertain the frequency, amount, and causes of farm fires by classes of property for broad geographic areas. Leaders: John D. Rush and Ralph R. Botts.

FARM TAXATION, LOCAL GOVERNMENT, AND PUBLIC FINANCE

Connecticut: EFFECTS OF URBAN-INDUSTRIAL DEVELOPMENT ON AGRICULTURE.- Objectives are: (1) To discover the impact of urban-industrial development on farm costs, such as wage rates, capital costs, land prices, property taxes, and transportation and other marketing costs; and (2) to identify the types of urban industrial development that lead to efficient employment of agricultural resources and to propose plans for efficient regional development. Leader: John W. Mamer.

Connecticut: IMPACT OF ALTERNATIVE SOURCES OF TAX REVENUE ON THE CONNECTICUT ECONOMY.- Objectives are to identify possible revenues available in Connecticut and to appraise the impact of each alternative source on the Connecticut economy, with particular reference to the impact on agriculture. Leader: John W. Mamer.

Illinois: COST OF LOCAL GOVERNMENT SERVICE.- Leader: N. G. P. Krausz.

Iowa: ORGANIZATION AND FINANCE OF LOCAL GOVERNMENT IN RURAL AND SUBURBAN FRINGE AREAS.- This is a study of the situation in selected counties; specifically a study of the development of county government with indications of the directions of future development. Leaders: W. G. Murray, D. E. Boles, and R. I. Wessel.

Kansas: STUDIES IN LAND TAXATION, LAND TENURE, LAND VALUES, AND RELATED PROBLEMS.- The objective of the taxation phase is to investigate land taxation and related public finance problems that pertain to (1) local public services and their costs, (2) attainment of an equitable distribution of taxes, and

(3) Administration of all taxes, including general property, sales, income, and other taxes. Leader: Wilfred H. Pine.

Kansas: STATE AND LOCAL TAXES PAID BY FARMERS AND OTHER GROUPS IN KANSAS.-

This project involves the determination of the kinds and amounts of State and local taxes paid by Kansas farmers and other groups. It is designed to learn the effects of changes in taxation on taxes paid by various groups and on the uses of resources. Leader: Wilfred H. Pine.

Louisiana: SUPPLIES, OWNERSHIP AND TAXATION OF FOREST RESOURCES IN NORTH

CENTRAL LOUISIANA.- Forest resources, rate of reforestation, trends in ownership, and leasing of forest lands are to be surveyed. Also, a study is to be made of market values, assessment, and taxation of forested areas in the hill-farm section of the State. Leader: F. L. Corty.

Maryland: THE EFFECTS OF PROPERTY TAX ASSESSMENT AND EXEMPTION PRACTICES ON MARYLAND FARMERS, AND ON STATE AID EQUALIZATION PROGRAMS.-

Objectives of the study are to compare levels of tax assessment with sale values of farm and nonfarm real estate in Maryland; to examine the taxation of various kinds of personal property in local units of Maryland; and to evaluate the use of property taxation, as compared with other economic indices, as a basis for State aid equalization programs. Leaders: W. P. Walker and S. Ishee.

Maryland: AN ANALYSIS OF THE DISPOSITION OF HIGHWAY-USER TAXES FOR RURAL AND URBAN HIGHWAYS IN MARYLAND.-

Objectives are to analyze the impact of highway-user levies on various groups of taxpayers in Maryland; and to test various formulas of State highway-user tax distribution to local units as a basis for selecting formulas that will provide for highway needs and apply equitable tax payments for highway purposes in both rural and urban areas. Leader: W. P. Walker.

Michigan: IMPACT OF GENERAL PROPERTY TAXES ON RURAL AND SUBURBAN PROPERTY.-

Special Bulletin 421, published in December 1958 reported property tax trends affecting Michigan farmers. An article on the regressive impact of the property tax on Michigan farm families was submitted for publication in the Quarterly Bulletin of the Michigan Agricultural Experiment Station. Data were collected from the State Tax Commission to determine the variation in assessment levels of various types of property in selected areas of the State. Leaders: Raleigh Barlowe, William H. Heneberry, and Arley Waldo (cooperative with FERD-ARS, USDA).

Michigan: DETERMINING THE ECONOMIC PRODUCTIVITY AND MARKET VALUE OF AGRICULTURAL LANDS FOR PURPOSES OF IMPROVING ASSESSMENT.-

Information is being assembled concerning the relative productivity of soil types in selected areas in the State. Productivity indices based on net income are to be developed from these data. These indices, together with such modifying factors as location, drainage conditions, and status of farm improvements, will be correlated with data on property sales values to indicate their applicability for property appraisal and assessment purposes. Leaders: Raleigh Barlowe, A. Allan Schmid and William H. Heneberry (cooperative with FERD-ARS, USDA).

Michigan: ECONOMIC ASPECTS OF LAND USE IN RURAL URBAN FRINGE AREAS.- Research has been completed and a thesis prepared on a study of "Land Use Transition Problems in a Detroit-Pontiac Fringe Township." Research has been completed on a study of "Local Fiscal Problems Associated with Suburbanization." Both studies involve the assembly and review of data on local government receipts and expenditures. Leader: Raleigh Barlowe.

Michigan: IMPACT OF TAXES AND LEGAL COSTS ON FARM TRANSFERS.- The project has been completed and the results published as Special Bulletin 414 of the Michigan Agricultural Experiment Station, "Impact of Taxes and Legal Costs on Farm Transfers and Estate Settlements." Leader: E. B. Hill.

Minnesota: ASSESSMENT OF REAL PROPERTY.- In conjunction with a study of the economic impact of highway development, an extensive study is being made of the assessment of rural and urban property values, in cooperation with the Department of Geography, University of Minnesota. The use of aerial photographs and land use maps is being correlated with land-value mapping in an attempt to develop a technique for predicting changes in land values owing to highway improvement. Leaders: Philip M. Raup, John R. Borchert, and James Schwinden.

Missouri: THE RELATIONSHIP BETWEEN THE ASSESSED VALUE AND THE SALES VALUE OF FARMLAND IN SELECTED COUNTIES IN MISSOURI.- A research bulletin, Land Price Trends in Missouri, was published in 1959. Additional data were assembled on land transfers and assessments for tax purposes. This information is to be analyzed to determine trends in real estate assessments and amounts of tax paid. The data include land transfers in selected counties and towns of Missouri. Leader: Frank Miller.

Montana: EFFECTS OF STATE AND LOCAL TAXES AND DISBURSEMENTS ON MONTANA FARMERS AND RANCHERS.- Objectives are: (1) To describe the present system of financing public services in Montana, with special reference to intergovernmental payments used for equalization purposes; (2) to analyze the effect of recent developments in the tax structure and equalization programs on (a) the tax burden of various groups of citizens, particularly farmers and ranchers, and (b) the quality of services rendered; and (3) to make recommendations concerning improvements in methods of financing public services, emphasizing economy, quality of service, and equitable distribution of the taxload among citizens. Leaders: Layton S. Thompson and Maurice Taylor.

New Mexico: AGRICULTURAL TAXATION.- This is a study of agricultural taxation in New Mexico and a contributing project to the Great Plains taxation project. Leader: Johannes Delphendahl.

New York: SOME COMPARATIVE ASPECTS OF LOCAL GOVERNMENT IN SELECTED COUNTIES OF SOUTHEAST ASIA.- Local governments in the Philippines, Thailand, and Vietnam are to be compared. Leader: E. A. Lutz.

New York: INTERSTATE COMPARISONS OF STATE AND LOCAL GOVERNMENTAL SERVICES.- The project involves a comparison of functions of State and local governments available to farmers and others in New York State relative to other States. Leader: E. A. Lutz.

New York: A COST INDEX FOR LOCAL RURAL ROAD CONSTRUCTION.- The project includes an index of cost of construction of local rural roads and indexes of costs of labor, equipment, and materials used in construction. Leaders: E. A. Lutz and J. W. Spencer.

New York: LAND USE IN RELATION TO URBAN EXPANSION, DUTCHESS COUNTY, NEW YORK.- This is a study of some problems of farmers resulting from urban penetration into rural areas in a county on the fringe of the New York Metropolitan Area. Leaders: H. E. Conklin and E. A. Lutz.

Oklahoma: ECONOMIC ANALYSIS OF THE LOW AGRICULTURAL INCOME SITUATION IN EASTERN OKLAHOMA.- The study is intended to determine how patterns of commercial farming, part-time farming, and rural residence have developed within low-income areas and their relationship to farm organization and practices, and family goals in farming and their place in a rural-development program; and to establish practical guides in terms of resource requirements and necessary farming adjustments to achieve different levels of income for farms of different sizes and types. Emphasis is placed on the creation of a capital accumulation model for individual farms in eastern Oklahoma which contains as a basic assumption the premise that such accumulation must depend significantly on credit. Leader: W. B. Back.

Oregon: PHYSICAL AND ECONOMIC PRODUCTIVITY OF SOILS IN MARION COUNTY.- Data from a soil survey are being analyzed in conjunction with farm business data to determine relative yields and economic productivity of defined soil map units. Data on important series are developed to permit a better basis for comparison among soils. Techniques of characterizing soils in terms of crop yields, net income, and economic productivity are being evaluated and adapted to Oregon conditions. Leaders: Grant E. Blanch and Ellis G. Knox.

South Carolina: AN APPRAISAL OF THE EFFECTS OF ECONOMIC CHANGE AND DEVELOPMENT ON THE FUNCTION, ORGANIZATION AND FINANCING OF LOCAL GOVERNMENT IN SOUTH CAROLINA.- This study is designed to help meet the need for more information concerning problems of local government that result from the rapid changes now in progress in the area. This includes the problems of communities that are experiencing rapid suburbanization and industrialization, as well as those of communities that are experiencing a decline in population and economic activity. In addition to defining the broader problems and problem areas, determination of the effects of these changes on the tax base and the operation and services of local government units will be attempted. Particular attention will be given to distribution of local tax burdens and their relative impact on agriculture in the various subareas. Leaders: W. H. Faver, F. D. Stocker, and G. H. Aull (cooperative with FERD-ARS, USDA).

South Dakota: IMPROVING RURAL ASSESSMENTS AND TAXATION.- This will be a study of the relative tax burden of farmers and other citizens of the State. It will also emphasize possible ways of improving rural assessment of land and buildings, as well as personal property, and the effects of certain levy limitations on rural taxation. Leader: John Thompson.

Wyoming: UTILIZATION, VALUATION, TAXATION AND CONTROL AND MANAGEMENT OF PRIVATELY OWNED AND PUBLIC LANDS IN WYOMING.- The objectives include a study of methods for correcting the maladjustment in costs that exists between the users of Federal vs. deeded lands and to study the influence of Federal vs. private control on conservation, range, and livestock management practices and efficient production. Consideration will also be given to the question are the Federal lands contributing their fair share to the local, county, and State institutions of government? Leader: A. F. Vass.

ARS (Farm Economics Research Division): FARM TAX BURDENS.- This is an analysis of the amounts paid by farm people in selected Federal, State, and local taxes, and the economic effects of tax policies. Among the taxes studied are levies on farm real estate and personal property, sales taxes, income taxes, and automotive taxes. Leader: McGehee H. Spears.

ARS (Farm Economics Research Division): LOCAL GOVERNMENT ORGANIZATION AND FINANCE.- This project will involve studies of how public services are supplied and financed in rural areas, especially those communities that are experiencing rapid suburbanization and industrialization and those having sparse and declining population. Leader: Clarence J. Hein.

ARS (Farm Economics Research Division): STATE AND LOCAL TAX SYSTEMS.- This is a study of State-local finances in relation to the level of farm taxes, form of governmental organization, and quality of public services. Special attention is given to the role of the property tax in the State-local fiscal structure and to prospects for developing alternative revenue sources. Leader: Frederick D. Stocker.

ARS (Farm Economics Research Division): ASSESSMENT OF FARM PROPERTY.- The objective is to determine accuracy of assessment of various types of farm property and the effects of inaccurate assessment, and to develop guidelines for improved assessment techniques, with special reference to farmland that lies in the path of urban expansion. Leader: Frederick D. Stocker.

FARM REAL ESTATE VALUES

Iowa: THE IOWA FARM REAL ESTATE SITUATION.- Annual brokers' surveys are conducted to measure changes in market values in various areas of the State and to determine the major factors influencing market prices. Leader: W. G. Murray.

Kansas: THE FARM REAL ESTATE MARKET IN KANSAS.- The objective of this project is to determine the factors considered by sellers and buyers in the pricing of land in five areas of the State. Buyers and sellers were interviewed to learn reasons for selling and buying, how the transfer was financed, and the relevant physical characteristics of the properties. Leaders: Wilfred Pine and W. H. Scofield (cooperative with FERD-ARS, USDA).

Kentucky: A STUDY OF FARM VALUES AND TRENDS.- The central objective is to throw light on farm values in representative agricultural areas and to show the trends of such values. Leader: John H. Bondurant.

Minnesota: FARM LAND MARKET.- An annual survey is made of trends in land values throughout the State, based on replies to a mail questionnaire returned by more than 700 respondents. Price trends, changes in volume of sales, type of financing, and characteristics of buyers and sellers are reported, by regions of the State. Leaders: Philip M. Raup and Jerome Johnson.

Nebraska: THE FARM REAL ESTATE MARKET IN NEBRASKA.- Similar to Kansas study. Leaders: Loyd Fischer, John Muehlbeier, and W. H. Scofield (cooperative with FERD-ARS, USDA).

Nebraska: SALES PRICES AND ASSESSED VALUES OF FARM REAL ESTATE.- Records of all land transfers in the State, 1952-56, are being analyzed by size of tract, price per acre, and assessment-sales ratio, for various type-of-farming areas in the State. Leaders: Loyd Fischer, John Muehlbeier, and W. H. Scofield (cooperative with FERD-ARS, USDA).

North Dakota: LAND PRICES AND TRENDS IN NORTH DAKOTA.- This study is designed as a continuing effort to make annual reports on the level of, and changes in, land prices by counties and areas in North Dakota. Real estate personnel dealing in farm real estate are contacted annually by means of a mail questionnaire. The corresponding reports include information on: (1) Average land prices, (2) the percentage of land transactions made for farm enlargement, (3) factors affecting real estate values, and (4) use of credit and other financing aspects of the farm real estate market. Leader: Laurel D. Loftsgard.

Oklahoma: LAND MARKET TRENDS AND FACTORS AFFECTING THE LAND MARKET.- This is a study to determine prices and trends in the value of farm real estate by areas and grades of land and the factors that affect land prices; to differentiate the types of buyers and sellers and to determine their motives for buying or selling; to determine the methods of financing land and to explore how the various methods of transfer and financing might be modified to meet different situations; and to appraise the procedures for taking land for public purposes and the impact of such transfers on the land market. Leaders: L. A. Parcher and G. P. Collins.

Texas: FACTORS AFFECTING THE TEXAS AGRICULTURAL LAND MARKET.- The nature and operation of the land market are being studied in selected counties and situations, with special attention given to the effect on the price of land and market activity of such factors as (1) recreational land, (2) investment, (3) speculation, (4) hobby farming, and (5) part-time farming. Leaders: A. B. Wooten, John H. Southern, W. H. Scofield, and W. G. Adkins (cooperative with FERD-ARS, USDA).

Virginia; North Carolina: INTERRELATION BETWEEN FARM TENURE AND THE FEDERAL FLUE-CURED TOBACCO PROGRAM.- One phase of this study applies regression analysis to land sales data to determine the market value of tobacco acreage allotments. Leaders: W. L. Gibson, Jr., George Tolley, and Frank Maier (cooperative with FERD-ARS, USDA).

ARS (Farm Economics Research Division): **CURRENT DEVELOPMENTS IN THE FARM REAL ESTATE SITUATION.**- This project is concerned with the periodic collection of data and analysis of the significant trends in market values, volume of sales, financing, types of buyers and sellers, and other aspects of the farm real estate market. Crop reporter data and special surveys of farm real estate dealers are utilized. Leaders: W. H. Scofield and Wayne Olson.

ARS (Farm Economics Research Division): **ANNUAL ESTIMATES AND ANALYSIS OF TRENDS IN FARM REAL ESTATE RENTALS.**- Objectives are to estimate the dollar value of rents paid for leased land, by States, and the expenses paid by landlords, and to utilize such data in a continuing analysis of the relationship between returns to land and market values of farm real estate. Leader: W. H. Scofield.

ARS (Farm Economics Research Division): **EFFECTS OF HIGHWAYS AND LOCATION ON FARM REAL ESTATE VALUES.**- Actual sales of land and estimates by local reporters of the premiums and discounts to market values associated with different types of roads are being studied. Leaders: Wayne Olson and W. H. Scofield.

ARS (Farm Economics Research Division): **THE LAND MARKET AND LAND PRICING PROCEDURES IN SELECTED AREAS OF THE GREAT PLAINS.**- The objective of the study was to determine the characteristics of farm properties and of buyers and sellers that were relevant in the pricing process. Field interviews were made of about 1,000 buyers and 700 sellers associated with 1,481 transfers that occurred in 38 counties in 1956-57. Leader: W. H. Scofield.

ARS (Farm Economics Research Division): **SALES PRICES AND ASSESSED VALUES OF FARM REAL ESTATE IN ILLINOIS.**- Records of all land transfers in the State from 1953 to 1956 inclusive are to be analyzed by size of tract, status of improvements, and assessment-sales ratios, for various areas in the State. Leaders: W. H. Scofield and Folke Dovring (cooperative with Ill. Agr. Expt. Sta.).

ARS (Farm Economics Research Division): **RURAL LAND TRANSFER SURVEY.**- A mail survey will be sent to a nationwide sample of about 17,000 buyers of rural property. Objectives are to determine the extent and nature of farm consolidation, major shifts in land use as a result of transfer, contribution of highways to market values, assessed values, and benchmark estimates for several current statistical series. Leader: Wayne Olson.

Injuries to hired farmworkers insured under workmen's compensation insurance in New York State during the 5-year period 1950-54 were distributed, by severity of injury, as follows: Fatalities, 1.0 percent, permanent total disabilities 0.2 percent, permanent partial disabilities, 28.8 percent, and temporary disabling injuries, 70.0 percent. This distribution is based on 5,458 accident claims.

STATISTICAL APPENDIX

Farm-Mortgage Credit

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Table 1.- Farm-mortgage loans made or recorded by principal lenders, United States, 1910-59 1/

Period	Loans made 2/				Mortgages recorded 6/				Total, all lenders
	Federal land banks	Federal Farm Mortgage Corporation 3/	Joint-stock land banks 4/	Farmers Home Administra- tion 5/	Insurance companies 7/	Commercial and savings banks	Individuals and miscellaneous		
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars		
1910-----	---	---	---	---	105,359	207,734	936,792	1,249,885	
1920-----	66,985	---	19,324	---	386,788	663,202	2,489,481	3,625,780	
1921-----	91,030	---	9,335	---	292,792	654,521	1,530,978	2,578,656	
1922-----	224,301	---	138,685	---	340,932	578,067	1,224,001	2,505,986	
1923-----	190,271	---	189,748	---	451,579	546,458	1,115,678	2,493,734	
1924-----	162,475	---	74,587	---	346,110	475,654	1,014,144	2,072,970	
1925-----	124,809	---	131,431	---	347,625	475,991	1,100,328	2,180,184	
1926-----	128,978	---	123,026	---	335,128	433,362	1,012,567	2,033,061	
1927-----	138,424	---	83,719	---	250,529	397,286	905,621	1,775,579	
1928-----	100,615	---	40,572	---	223,185	398,167	902,263	1,664,802	
1929-----	63,004	---	18,186	---	203,346	343,532	834,624	1,462,692	
1930-----	47,146	---	5,236	---	173,665	355,232	783,346	1,364,625	
1931-----	41,814	---	5,407	---	127,509	327,594	697,614	1,199,938	
1932-----	27,516	---	2,181	---	74,760	263,336	535,548	903,341	
1933-----	151,585	70,812	739	---	46,002	167,109	386,729	822,976	
1934-----	730,134	553,048	---	---	53,422	130,583	353,187	1,820,374	
1935-----	247,610	195,869	---	---	78,033	176,496	363,685	1,061,693	
1936-----	108,602	76,887	---	---	114,905	126,109	315,891	802,394	
1937-----	62,831	39,707	---	---	128,164	212,801	314,225	757,728	
1938-----	51,237	29,152	---	10,217	137,353	209,925	285,305	723,189	
1939-----	51,461	27,230	---	26,506	137,915	217,821	268,075	729,008	
1940-----	63,926	36,391	---	39,588	145,483	219,835	267,239	772,462	
1941-----	64,726	37,308	---	60,184	160,395	221,310	290,073	833,996	
1942-----	53,599	28,242	---	35,646	154,497	191,023	299,806	762,813	
1943-----	61,232	30,077	---	32,705	167,038	233,074	391,677	915,803	
1944-----	69,418	34,469	---	37,062	160,688	255,343	413,994	970,974	
1945-----	91,889	28,692	---	17,256	145,121	312,780	458,692	1,054,430	
1946-----	128,572	14,611	---	48,426	199,752	521,872	572,975	1,486,208	
1947-----	137,282	10,345	---	27,041	230,751	487,092	547,629	1,440,140	
1948-----	148,574	17	---	20,240	258,928	436,395	562,891	1,427,045	
1949-----	180,624	19	---	16,848	276,766	396,466	537,817	1,408,540	
1950-----	203,129	25	---	45,469	347,680	471,599	587,993	1,655,895	
1951-----	211,378	57	---	48,161	381,297	458,422	670,933	1,770,248	
1952-----	251,592	41	---	52,310	345,404	483,677	644,595	1,777,619	
1953-----	286,106	40	---	59,877	394,146	483,990	653,468	1,853,627	
1954-----	301,948	31	---	26,758	390,153	500,080	666,529	1,885,499	
1955-----	482,698	6	---	15,306	505,581	582,001	816,272	2,401,864	
1956-----	520,860	---	---	40,387	486,464	527,949	811,967	2,387,627	
1957-----	403,635	---	---	8/ 72,815	387,414	502,726	8/ 887,387	2,253,977	
1958-----	472,497	---	---	79,343	389,654	554,913	936,205	2,432,612	
January-June-----	193,563	---	---	8/ 28,610	220,414	290,451	8/ 516,659	1,249,697	
July-December-----	278,934	---	---	50,733	169,240	264,462	419,546	1,182,915	
1959-----	626,342	---	---	8/ 82,198	449,406	605,380	1,050,952	2,814,278	
January-June-----	350,689	---	---	40,793	261,439	343,129	585,758	1,591,808	
July-December-----	265,653	---	---	41,405	187,967	262,251	465,194	1,222,470	

1/ Data for 48 States only except as indicated.

2/ Amounts are those reported by Farm Credit Administration and Farmers Home Administration, except that amounts for joint-stock land banks for 1917-20 were partially estimated by the former Bureau of Agricultural Economics. Data are for loans on regular mortgages only, excluding purchase-money mortgages and sales contracts.

3/ Loans were made on Corporation's behalf by Land Bank Commissioner. Authority to make new loans, except those incidental to liquidation, expired July 1, 1947.

4/ Also includes joint-stock land banks in receivership. Active banks were placed in liquidation May 12, 1933. Loans made thereafter incidental to liquidation are included with those recorded by "miscellaneous" lenders.

5/ Includes farm-ownership loans from 1938; soil and water conservation loans to individuals (water facilities) from 1939; and farm-housing loans from 1950. Also includes farm-ownership loans made from State Corporation trust funds. The first years in which the various types of farm-ownership loans are included follow: Tenant-purchase, 1938; farm-development (special real estate), 1941; farm-enlargement, 1943; project-liquidation, 1944; and building-improvement, 1954. Some project-liquidation loans made in 1943 for which separate data are not available are included in 1944. A few farm-housing loans made in 1949 are included with those made in 1950; no such loans were made in 1955. Figures represent amounts advanced for project-liquidation loans and amounts obligated for all other types. Excludes insured farm-ownership and insured soil and water conservation loans.

6/ Amounts for 1910-33 are estimates of the former Bureau of Agricultural Economics, those for 1936 to date of the Farm Credit Administration, and those for 1934-35 of both organizations jointly. Data include regular mortgages, purchase-money mortgages, and sales contracts.

7/ Excludes mortgages recorded in New England States; these have been too few to classify separately and they are included with "individuals and miscellaneous" lenders.

8/ Revised.

9/ Data include: Alaska, \$95,000-\$28,000 Jan. to June, \$67,000 July to Dec.; Hawaii, \$193,000-\$94,000 Jan. to June, \$99,000 July to Dec.

Table 2.- Farm-mortgage debt: Total amount outstanding and amounts held by principal lenders, United States, specified dates, 1910-60 1/

Table 2.- Farm-mortgage debt: Total amount outstanding and amounts held by principal lenders, United States, specified dates, 1910-60 1/

Beginning of year or month	Loans held by principal lenders						Total, farm-mortgage debt
	Federal land banks 2/	Federal Farm Mortgage Corporation 2/ 3/	Joint-stock land banks 2/ 4/	Farmers Home Administration 5/	Life insurance companies 6/	Commercial and savings banks 7/	
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
1910-----	---	---	---	---	366,961	406,248	3,207,863
1920-----	293,595	---	60,038	---	974,826	1,204,383	8,448,772
1930-----	1,201,732	---	637,789	---	2,118,439	997,468	9,630,768
1935-----	1,947,442	616,737	277,020	---	1,301,562	498,842	7,584,459
1940-----	2,009,820	713,290	91,726	32,178	984,290	534,170	6,586,399
1941-----	1,937,184	685,149	73,455	55,944	1,016,479	535,408	6,453,527
1942-----	1,866,784	634,885	55,919	115,629	1,063,169	535,212	6,376,080
1943-----	1,718,240	513,895	37,015	159,053	1,042,939	476,676	5,956,458
1944-----	1,452,886	489,751	10,097	173,695	986,661	448,433	5,395,671
1945-----	1,209,676	347,307	5,455	125,519	938,275	449,582	4,960,915
1946-----	1,078,952	239,365	3,208	184,091	891,266	507,298	4,760,464
1947-----	976,748	146,621	1,641	191,954	888,665	603,229	4,896,970
1948-----	888,933	107,066	645	197,927	959,715	840,647	5,064,245
1949-----	868,156	77,920	462	192,328	1,036,383	900,843	5,288,331
1950-----	906,077	58,650	270	193,301	1,172,326	937,144	5,579,278
1951-----	947,431	44,008	---	220,104	1,352,635	1,008,359	6,118,359
1952-----	994,128	32,778	---	240,809	1,541,874	1,046,923	6,675,619
1953-----	1,071,358	23,899	---	268,257	1,716,022	1,105,096	7,263,200
1954-----	1,169,418	17,628	---	282,098	1,892,773	1,131,214	7,772,204
1955-----	1,266,953	12,834	---	287,171	2,051,784	1,210,216	8,288,837
1956-----	1,480,204	---	---	277,869	2,271,784	1,346,287	9,066,153
1957-----	1,722,381	---	---	289,546	2,476,543	1,386,270	9,907,623
1958-----	1,897,187	---	---	339,865	2,578,958	1,444,207	10,507,032
1959-----	2,065,372	---	---	388,010	2,661,229	1,511,899	11,254,264
January-----	2,237,900	---	---	414,921	---	1,597,551	---
July-----	---	---	---	---	---	---	---
1960:-----	---	---	---	---	---	---	---
January-----	2,334,795	---	---	437,016	2,820,992	1,625,024	9/ 12,291,388
48 States-----	2,335,124	---	---	439,269	2,820,992	1,631,271	9/ 12,300,217
50 States 2/-----	---	---	---	---	---	---	---

1/ Data for 48 States only, except as indicated.

2/ 1930 to date includes regular mortgages, purchase-money mortgages, and sales contracts; before 1930 regular mortgages only. Federal land bank and Federal Farm Mortgage Corporation mortgages in process of foreclosure were estimated for 1951 and 1952.

3/ Loans held by Corporation were made on its behalf by Land Bank Commissioner. Authority to make new loans, except incidental to liquidation, expired July 1, 1947. On June 30, 1955, loans of the Federal Farm Mortgage Corporation were sold to the 12 Federal land banks.

4/ Liquidation of the joint-stock land banks began May 12, 1933, and was completed April 26, 1951. Data include banks in receivership.

5/ Data for 1940-41 include only tenant-purchase loans and direct soil and water conservation loans to individuals. Thereafter, data also include farm-development (special real estate) loans beginning 1942; farm-enlargement loans beginning 1944; project-liquidation loans beginning 1945; farm-bousing loans beginning July 1950; and building-improvement loans beginning 1955. Data also include loans for these purposes from State Corporation trust funds.

6/ Estimates based on direct reports from life insurance companies, official reports submitted to State insurance commissioners, "Best's Life Insurance Reports," "Spectator Life Insurance Yearbook," and data from Life Insurance Association of America and Institute of Life Insurance. Includes legal reserve companies only. 1930 to date includes regular mortgages, purchase-money mortgages, and unpaid principal sales contracts; before 1930, regular mortgages only.

7/ Before 1935, open State and national banks; 1935-47, insured commercial banks; and 1948 to date, all operating banks. Beginning 1956, includes soil and water conservation loans insured by the Farmers Home Administration.

8/ Preliminary.

9/ Includes Alaska and Hawaii.

Table 3.- Farm-mortgage debt: Total amount outstanding and amounts held by principal lender groups, by States, Jan. 1, 1959

State and region	Principal lender groups						All operating banks 5/
	Total	Federal land banks 1/	Farmers Home Administration 2/	Life insurance companies 3/	Others 4/		
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	
Maine-----	32,711	4,408	3,578	550	24,175		8,037
New Hampshire-----	20,127	2,230	543	45	17,309		3,337
Vermont-----	43,932	9,533	881	1,142	32,376		17,458
Massachusetts-----	55,022	8,433	604	712	45,273		10,452
Rhode Island-----	5,880	1,309	27	13	4,531		2,145
Connecticut-----	49,707	9,057	299	2,146	38,205		9,116
New York-----	278,247	47,299	3,508	14,599	212,841		59,085
New Jersey-----	90,121	12,864	2,341	13,720	61,196		14,147
Pennsylvania-----	233,687	25,877	5,341	9,043	193,426		78,411
Delaware-----	16,402	2,649	283	446	13,024		10,556
Maryland 6/-----	93,484	11,317	2,634	6,565	72,968		27,303
Northeast-----	919,320	134,976	20,039	48,981	715,324		240,047
Michigan-----	299,705	68,422	6,078	19,336	205,869		53,695
Wisconsin-----	430,952	61,591	9,594	28,587	331,200		79,873
Minnesota-----	549,028	105,665	9,032	129,087	305,244		63,156
Lake States-----	1,279,685	235,678	24,704	176,990	842,313		196,724
Ohio-----	430,995	65,723	5,715	68,488	290,999		107,235
Indiana-----	387,589	63,201	6,231	129,215	188,942		67,770
Illinois-----	464,904	103,229	5,984	190,354	165,337		61,864
Iowa-----	785,842	143,245	9,702	318,560	314,335		71,884
Missouri-----	345,052	48,619	19,084	120,716	156,633		59,895
Corn Belt-----	2,414,312	424,017	46,716	827,333	1,116,246		368,648
North Dakota-----	149,002	31,351	9,382	12,725	95,544		10,560
South Dakota-----	160,773	60,309	6,581	47,769	46,114		6,309
Nebraska-----	345,153	96,279	7,573	117,221	124,080		14,205
Kansas-----	318,274	85,563	8,489	103,746	120,476		27,563
Northern Plains-----	973,202	273,502	32,025	281,461	386,214		58,637
Virginia-----	165,124	18,851	6,155	24,497	115,621		43,009
West Virginia-----	34,638	6,466	4,525	1,586	22,061		12,072
North Carolina-----	240,956	40,097	17,159	34,202	149,498		38,659
Kentucky-----	187,833	27,604	8,225	47,219	104,785		68,782
Tennessee-----	176,445	27,889	14,343	24,240	109,973		51,224
Appalachian-----	504,296	120,907	50,407	131,744	501,938		213,746
South Carolina-----	98,468	23,201	11,146	11,908	52,213		11,407
Georgia-----	197,189	41,735	20,082	29,482	107,890		43,996
Florida-----	211,359	22,928	9,316	62,539	116,576		23,819
Alabama-----	172,596	46,297	18,677	17,616	90,006		25,758
Southeast-----	679,612	131,161	59,221	121,545	364,685		104,980

Florida-----	211,359	:	22,928	:	9,316	:	62,539	:	116,576	:	23,819
Alabama-----	172,596	:	46,297	:	18,677	:	17,616	:	90,006	:	25,758
Southeast-----	679,612	:	134,161	:	59,221	:	121,345	:	361,685	:	104,280
Mississippi-----	247,018	:	43,745	:	28,472	:	68,564	:	106,237	:	30,502
Arkansas-----	208,099	:	20,611	:	12,159	:	92,663	:	92,666	:	25,843
Louisiana-----	137,655	:	28,607	:	11,465	:	22,874	:	74,709	:	24,598
Delta States-----	592,772	:	92,963	:	52,096	:	184,101	:	263,612	:	80,943
Oklahoma-----	225,032	:	37,427	:	13,328	:	77,288	:	96,989	:	21,009
Texas-----	787,669	:	211,663	:	24,603	:	290,055	:	261,948	:	42,291
Southern Plains-----	1,012,701	:	248,490	:	37,931	:	367,343	:	358,937	:	63,300
Montana-----	186,328	:	38,465	:	4,344	:	40,300	:	103,219	:	4,588
Idaho-----	231,993	:	49,330	:	13,916	:	53,413	:	115,334	:	3,273
Wyoming-----	76,449	:	18,045	:	3,902	:	30,860	:	23,642	:	2,238
Colorado-----	220,984	:	38,726	:	4,072	:	72,284	:	105,902	:	7,885
New Mexico-----	98,723	:	15,198	:	3,514	:	41,612	:	38,399	:	3,520
Arizona-----	111,111	:	13,893	:	2,106	:	37,763	:	57,349	:	4,250
Utah-----	84,949	:	14,836	:	6,682	:	12,483	:	50,948	:	7,476
Nevada-----	28,712	:	3,583	:	553	:	7,758	:	16,818	:	1,073
Mountain-----	1,039,249	:	192,076	:	39,089	:	296,473	:	511,611	:	34,303
Washington-----	274,958	:	38,020	:	12,977	:	38,179	:	185,782	:	21,480
Oregon-----	240,112	:	33,407	:	5,494	:	40,642	:	160,569	:	17,696
California-----	1,023,345	:	137,175	:	7,311	:	146,437	:	732,422	:	111,355
Pacific-----	1,538,415	:	208,602	:	25,782	:	225,258	:	1,078,773	:	150,531
48 States-----	11,254,264	:	2,065,372	:	388,010	:	2,661,229	:	6,139,653	:	1,511,859
Alaska-----	---	:	0	:	319	:	---	:	---	:	331
Hawaii-----	---	:	0	:	1,918	:	---	:	---	:	1,830
United States-----	---	:	2,065,372	:	390,247	:	---	:	---	:	1,514,020

1/ State distribution of loans in process of foreclosure estimated.

2/ Includes tenant-purchase, farm-enlargement, farm-development, project-liquidation, farm-housing, and direct soil and water conservation loans to individuals, and loans for these purposes from State Corporation trust funds.

3/ Estimates based on direct reports from life insurance companies, official reports submitted to State insurance commissioners, "Best's Life Insurance Reports," "Spectator Life Insurance Yearbook," and data from Life Insurance Association of America and Institute of Life Insurance.

4/ Estimated total loans held by all operating banks, individuals, and miscellaneous lenders. State estimates are approximate and should be used only as general indicators of the amount of farm-mortgage debt held by this group.

5/ Includes national and State commercial, mutual and stock savings, and private banks. Mortgage loans held by banks are classified according to location of bank and, therefore, are not strictly comparable by States with mortgage loans for other lenders, which are classified according to location of security or borrower.

6/ Includes District of Columbia.

7/ Excludes \$11,258,000 for Oklahoma and \$22,508,000 for Texas in oil and gas loans which were formerly classified as farm-mortgage loans.

Table 4.- Farm-mortgage debt: Total amount outstanding and amounts held by principal lender groups, by States, Jan. 1, 1960 1/

State and region	Principal lender groups						All operating banks 6/
	Total	Federal land banks 2/	Farmers Home Administration 3/	Life insurance companies 4/	Others 5/		
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	
Maine-----	35,859	4,415	4,702	470	26,272	8,581	
New Hampshire-----	30,830	2,207	508	71	28,044	6,442	
Vermont-----	45,483	9,786	1,057	1,393	33,247	17,802	
Massachusetts-----	53,973	8,755	678	714	43,826	9,669	
Rhode Island-----	5,782	1,319	32	9	4,422	2,076	
Connecticut-----	51,621	9,965	291	2,059	39,266	9,057	
New York-----	281,501	52,010	3,827	14,174	211,490	55,936	
New Jersey-----	95,475	14,268	2,433	13,513	65,261	15,417	
Pennsylvania-----	252,364	27,839	6,032	9,447	209,066	84,849	
Delaware-----	16,836	2,921	348	356	13,171	10,638	
Maryland 7/-----	98,129	11,987	2,634	7,101	76,407	28,473	
Northeast-----	967,873	145,472	22,542	49,387	750,472	249,140	
Michigan-----	333,072	79,061	7,026	20,837	226,148	57,032	
Wisconsin-----	461,232	65,032	11,132	30,100	354,968	85,982	
Minnesota-----	599,450	120,258	9,545	139,002	330,645	66,324	
Lake States-----	1,393,754	264,351	27,703	189,939	911,761	209,338	
Ohio-----	479,473	78,554	6,434	79,138	315,347	110,880	
Indiana-----	422,377	73,417	6,790	138,157	204,013	71,965	
Illinois-----	521,411	124,719	6,469	204,623	185,600	69,550	
Iowa-----	840,900	158,214	11,195	336,985	334,506	75,068	
Missouri-----	374,828	59,640	20,888	124,875	169,625	64,539	
Corn Belt-----	2,636,989	494,544	51,776	883,578	1,209,091	392,002	
North Dakota-----	173,315	36,889	11,625	12,615	112,186	13,335	
South Dakota-----	172,404	66,974	7,784	48,070	49,070	6,385	
Nebraska-----	362,920	102,287	7,904	123,069	129,660	14,129	
Kansas-----	338,159	92,963	9,069	108,965	127,162	28,444	
Northern Plains-----	1,046,798	229,113	36,382	293,225	418,078	62,293	
Virginia-----	181,779	21,481	6,626	24,972	128,700	48,764	
West Virginia-----	38,190	6,911	5,163	1,702	24,414	13,401	
North Carolina-----	268,713	47,557	19,388	36,187	165,581	41,974	
Kentucky-----	203,945	31,768	9,571	49,902	112,704	73,613	
Tennessee-----	194,879	32,564	11,750	23,676	120,889	56,002	
Appalachian-----	887,506	140,281	58,498	136,439	552,288	233,754	
South Carolina-----	111,854	26,103	13,516	12,513	59,422	13,069	
Georgia-----	220,388	49,660	22,389	31,824	116,515	47,339	
Florida-----	237,675	26,801	11,419	68,729	130,726	26,420	
Alabama-----	133,321	51,305	21,356	19,245	101,485	29,496	
Southeast-----	753,308	153,869	68,680	132,611	408,148	116,324	

Alabama-----	193,391	51,305	21,356	19,245	101,485	29,495
Southeast-----	763,308	153,869	68,680	132,611	408,148	115,324
Mississippi-----	271,621	48,031	31,311	74,349	117,930	34,652
Arkansas-----	231,219	26,737	13,316	99,902	91,264	28,128
Louisiana-----	150,129	33,132	12,396	23,945	80,656	26,004
Delta States-----	652,969	107,900	57,023	198,196	289,850	88,784
Oklahoma-----	235,946	38,939	14,635	80,043	102,329	22,664
Texas-----	824,320	226,237	27,238	293,267	277,278	47,400
Southern Plains-----	1,060,266	265,176	41,873	373,310	379,607	70,064
Montana-----	210,050	45,448	5,007	43,235	116,360	5,172
Idaho-----	257,705	58,444	14,895	56,942	127,424	2,943
Wyoming-----	82,604	19,995	4,331	32,393	25,885	2,758
Colorado-----	228,559	44,012	3,938	71,337	109,272	7,895
New Mexico-----	103,365	17,076	3,470	42,787	40,032	3,513
Arizona-----	125,968	16,334	1,988	43,436	64,270	4,071
Utah-----	91,771	17,084	8,097	12,253	54,357	7,394
Nevada-----	38,373	3,977	605	12,250	21,541	498
Mountain-----	1,138,395	222,350	42,271	314,633	559,141	34,244
Washington-----	300,951	41,942	15,985	42,014	201,010	21,176
Oregon-----	257,064	38,090	6,150	42,341	170,483	17,523
California-----	1,183,515	161,407	8,133	165,319	848,656	130,382
Pacific-----	1,741,530	241,439	30,268	249,674	1,220,149	169,081
48 States-----	12,291,388	2,334,795	437,016	2,820,992	6,698,585	1,625,024
Alaska-----	991	329	367	---	295	295
Hawaii-----	7,838	0	1,886	---	5,952	5,952
United States-----	12,300,217	2,335,124	439,269	2,820,992	6,704,832	1,631,271

1/ Preliminary.

2/ State distribution of loans in process of foreclosure estimated.

3/ Includes tenant-purchase, farm-enlargement, farm-development, project-liquidation, farm-housing, and direct soil and water conservation loans to individuals, and loans for these purposes from State Corporation trust funds.

4/ Estimates based on direct reports from life insurance companies, official reports submitted to State insurance commissioners, "Best's Life Insurance Reports," "Spectator Life Insurance Yearbook," and data from Life Insurance Association of America and Institute of Life Insurance.

5/ Estimated total loans held by all operating banks, individuals, and miscellaneous lenders. State estimates are approximate and should be used only as general indicators of the amount of farm-mortgage debt held by this group.

6/ Includes national and State commercial, mutual and stock savings, and private banks. Mortgage loans held by banks are classified according to location of bank and, therefore, are not strictly comparable by States with mortgage loans for other lenders, which are classified according to location of security or borrower.

7/ Includes District of Columbia.

Table 5.-- Farm-mortgage loans held by all operating banks and insured commercial banks, by States, specified dates, 1959 and 1960 1/

State and region	All operating banks 2/				Insured commercial banks 3/			
	1959		Jan. 1, 1960		1959		Jan. 1, 1960	
	Jan. 1	June 10	Jan. 1	June 10	Jan. 1	June 10	Jan. 1	June 10
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
Maine-----	8,037	8,411	8,581	6,545	6,607	6,862		
New Hampshire-----	3,337	6,461	6,642	1,633	1,944	2,941		
Vermont-----	17,458	17,100	17,802	13,961	13,612	14,320		
Massachusetts-----	10,452	10,669	9,669	3,964	4,074	3,827		
Rhode Island-----	2,145	2,208	2,076	1,746	1,792	1,694		
Connecticut-----	9,116	7,903	9,057	3,614	3,585	3,610		
New York-----	59,085	55,071	55,936	51,350	47,282	48,589		
New Jersey-----	14,147	13,904	15,417	13,997	13,758	15,248		
Pennsylvania-----	78,411	80,721	84,849	77,578	79,762	83,709		
Delaware-----	10,556	10,834	10,638	9,886	10,188	9,969		
Maryland-----	26,145	26,892	28,126	24,958	25,422	26,661		
District of Columbia-----	1,158	279	347	1,158	279	347		
Northeast-----	240,047	240,453	249,140	210,390	208,305	217,777		
Michigan-----	53,695	55,982	57,032	53,642	55,929	56,979		
Wisconsin-----	79,873	83,586	85,982	79,362	83,056	85,385		
Minnesota-----	63,156	64,829	66,324	45,160	46,856	48,273		
Lake States-----	196,724	204,397	209,338	178,164	185,841	190,637		
Ohio-----	107,235	111,047	110,880	103,608	107,261	106,975		
Indiana-----	67,770	71,524	71,965	65,207	69,058	69,410		
Illinois-----	61,864	66,344	69,550	61,831	66,315	69,520		
Iowa-----	71,884	74,944	75,068	67,995	71,139	71,369		
Missouri-----	59,895	64,212	64,539	59,332	63,700	64,092		
Corn Belt-----	368,048	388,071	392,002	357,273	377,473	381,366		
North Dakota-----	10,560	12,114	13,335	7,227	8,498	9,451		
South Dakota-----	6,309	6,284	6,385	6,309	6,284	6,385		
Nebraska-----	14,205	14,649	14,129	13,117	13,118	12,644		
Kansas-----	27,563	28,284	28,444	27,053	27,918	28,382		
Northern Plains-----	58,637	61,331	62,893	53,706	55,818	56,862		
Virginia-----	43,009	47,514	48,764	43,009	47,514	48,764		
West Virginia-----	12,072	12,537	13,401	11,617	12,076	12,972		
North Carolina-----	38,659	44,048	41,974	38,428	43,799	41,754		
Kentucky-----	68,782	72,900	73,613	67,964	72,096	72,815		
Tennessee-----	51,224	55,456	56,002	50,626	54,861	55,266		
Appalachian-----	213,746	232,455	233,754	211,644	230,346	231,571		

Kentucky-----	60,102	12,900	01,904	12,090	12,090
Tennessee-----	51,224	55,456	56,002	54,861	55,266
Appalachian-----	213,746	232,455	233,754	211,644	231,571
South Carolina-----	11,407	12,939	13,069	11,335	12,863
Georgia-----	43,996	49,736	47,339	42,872	48,719
Florida-----	23,819	24,970	26,420	23,702	24,825
Alabama-----	25,758	28,456	29,496	25,758	28,456
Southeast-----	104,980	116,101	116,324	103,667	114,863
Mississippi-----	30,502	34,864	34,652	30,317	34,739
Arkansas-----	25,843	28,672	28,128	25,762	28,592
Louisiana-----	24,598	25,583	26,004	24,582	25,554
Delta States-----	80,943	89,119	88,784	80,661	88,885
Oklahoma-----	21,009	22,033	22,664	20,852	21,911
Texas-----	42,291	45,132	47,400	41,905	47,794
Southern Plains-----	63,300	67,165	70,064	62,757	66,705
Montana-----	4,588	5,092	5,172	4,588	5,092
Idaho-----	3,273	3,287	2,943	3,273	3,287
Wyoming-----	2,238	2,629	2,758	2,238	2,629
Colorado-----	7,885	8,170	7,895	7,862	8,143
New Mexico-----	3,520	3,731	3,513	3,520	3,731
Arizona-----	4,250	5,022	4,071	4,246	5,014
Utah-----	7,476	7,292	7,394	7,435	7,273
Nevada-----	1,073	467	498	1,073	467
Mountain-----	34,303	35,690	34,244	34,235	35,636
Washington-----	21,480	21,322	21,176	21,012	20,846
Oregon-----	17,696	18,317	17,523	17,696	18,317
California-----	111,355	123,130	130,382	111,355	123,130
Pacific-----	150,531	162,769	169,081	150,063	162,293
48 States-----	1,511,859	1,597,551	1,625,024	1,443,260	1,526,165
Alaska-----	331	332	295	315	317
Hawaii-----	1,830	1,867	5,952	228	1,867
United States-----	1,514,020	1,599,750	1,631,271	1,443,803	1,528,349
Other areas ^{1/} -----	9,252	8,949	10,988	9,204	8,315
					10,388

^{1/} Loans are classified according to location of bank and, therefore, are not strictly comparable by States with data for other lenders, which are classified according to location of mortgaged farms. July 1955 to date includes soil and water conservation loans insured by the Farmers Home Administration.

^{2/} Includes national and State commercial, mutual and stock savings, and private banks.

^{3/} Data for 1935 and subsequent intervening years available in earlier issues of the Agricultural Finance Review.

^{4/} Guam, Puerto Rico, Mariana, American Samoa, and Virgin Islands.

Table 6.- Farm-mortgage loans held by Federal land banks and Farmers Home Administration, by States, specified dates, 1959 and 1960

State and region	Federal land banks 1/		Farmers Home Administration 2/	
	1959	1960	1959	1960
	Jan. 1	July 1	Jan. 1	July 1
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
Maine-----	4,408	4,218	3,578	4,224
New Hampshire-----	2,230	2,270	2,543	524
Vermont-----	9,533	9,582	881	986
Massachusetts-----	8,433	8,439	604	648
Rhode Island-----	1,309	1,290	27	33
Connecticut-----	9,057	9,406	299	297
New York-----	47,299	49,325	3,508	3,596
New Jersey-----	12,864	13,277	2,341	2,395
Pennsylvania-----	25,877	26,837	5,341	5,675
Delaware-----	2,649	2,821	283	346
Maryland-----	11,317	11,809	2,634	2,646
Northeast-----	134,976	139,274	20,039	21,370
Michigan-----	68,422	75,019	6,078	6,323
Wisconsin-----	61,591	63,828	9,594	10,202
Minnesota-----	105,665	114,784	9,032	9,251
Lake States-----	235,678	253,631	24,704	25,776
Ohio-----	65,723	73,054	5,715	6,065
Indiana-----	63,201	69,175	6,231	6,480
Illinois-----	103,229	118,702	5,984	6,196
Iowa-----	143,245	153,043	9,702	10,554
Missouri-----	48,619	56,423	19,084	20,071
Corn Belt-----	424,017	470,397	46,716	49,366
North Dakota-----	31,351	34,508	9,382	10,330
South Dakota-----	60,309	64,570	7,581	7,085
Nebraska-----	96,279	100,343	7,573	7,615
Kansas-----	85,563	89,935	8,489	8,721
Northern Plains-----	273,502	289,356	32,025	33,751
Virginia-----	18,851	20,169	6,155	6,366
West Virginia-----	4,466	6,753	4,525	4,934
North Carolina-----	40,097	44,934	17,159	18,427
Kentucky-----	27,604	30,146	8,225	9,037
Tennessee-----	27,889	30,360	14,343	15,854
Appalachian-----	120,907	132,362	50,407	54,618
				58,498

Appalachian	120,907	132,362	140,281	50,407	54,618	58,498
South Carolina-----	23,201	25,067	26,103	11,146	12,690	13,516
Georgia-----	41,735	46,279	49,660	20,082	21,126	22,389
Florida-----	22,928	24,483	26,801	9,316	10,841	11,419
Alabama-----	46,297	50,864	51,305	18,677	20,042	21,356
Southeast-----	134,161	146,693	153,869	59,221	64,699	68,680
Mississippi-----	43,745	47,986	48,031	28,472	30,261	31,311
Arkansas-----	20,611	25,064	26,737	12,159	12,819	13,316
Louisiana-----	28,607	32,444	33,132	11,465	11,938	12,396
Delta States-----	92,963	105,494	107,900	52,096	55,018	57,023
Oklahoma-----	37,427	38,525	38,939	13,328	14,147	14,635
Texas-----	211,063	221,410	226,537	23,603	26,509	27,238
Southern Plains-----	248,490	259,935	265,476	37,931	40,656	41,873
Montana-----	38,465	42,445	45,448	4,344	4,708	5,007
Idaho-----	49,330	54,898	58,444	13,916	14,531	14,895
Wyoming-----	18,045	19,566	19,995	3,902	4,243	4,331
Colorado-----	38,726	42,722	44,012	4,072	3,943	3,938
New Mexico-----	15,198	16,632	17,076	3,514	3,574	3,470
Arizona-----	13,893	15,536	16,334	2,106	2,053	1,928
Utah-----	14,836	16,109	17,064	6,682	7,631	8,097
Nevada-----	3,583	3,798	3,977	553	552	605
Mountain-----	192,076	211,706	222,350	39,089	41,235	42,271
Washington-----	38,020	41,303	41,942	12,977	14,741	15,985
Oregon-----	33,407	35,434	38,090	5,494	6,032	6,150
California-----	137,175	151,271	161,407	7,311	7,660	8,133
Pacific-----	208,602	228,008	241,439	25,782	28,433	30,268
48 States-----	2,065,372	2,236,856	2,334,795	388,010	414,922	437,016
Alaska-----	---	---	329	319	343	367
Hawaii-----	---	---	0	1,918	1,975	1,886
United States-----	2,065,372	2,236,856	2,335,124	390,247	417,240	439,269

1/ State distribution of loans in process of foreclosure estimated. There were no loans held in Alaska or Hawaii in 1959.

2/ Includes direct farm-ownership loans, direct soil and water conservation loans to individuals, and farm-housing loans. Also includes direct farm-ownership loans made from State Corporation trust funds.

Table 7.-Farmers Home Administration: Number and amount of loans outstanding, by type and by State, July 1, 1959

State and region	Loans to individuals																Loans to co-operatives
	Farm ownership 1/				Farm housing 2/				Soil and water conservation 3/				Non-real-estate 4/				
	Number		Amount		Number		Amount		Number		Amount		Number		Amount		
	Bor- rowers	Amount	Bor- rowers	Amount	Bor- rowers	Amount	Bor- rowers	Amount	Bor- rowers	Amount	Bor- rowers	Amount	Bor- rowers	Amount	Bor- rowers	Amount	
Maline	170	1,351	450	2,821	4	1,542	6,611	558	2,673	0	0	0	68	23	0	13,483	
New Hampshire	47	460	118	68	0	0	230	971	1	21	0	0	4	1	0	1,519	
Vermont	93	795	26	128	0	0	191	940	0	0	0	0	5	2	0	1,885	
Massachusetts	58	466	28	183	0	0	121	436	19	127	0	0	0	1	0	1,219	
Rhode Island	2	19	5	8	0	0	21	53	4	0	0	0	0	0	0	97	
Connecticut	24	197	10	64	0	0	37	9,827	11	27	0	0	1	2	0	653	
New York	354	2,359	200	1,173	12	39	2,113	3,730	121	316	0	0	31	8	0	13,729	
New Jersey	153	1,404	151	932	16	71	1,162	3,730	121	316	0	0	14	9	0	258	
Pennsylvania	490	3,655	416	1,872	17	23	2,157	10,562	30	6	0	0	18	18	0	246	
Delaware	33	297	7	39	0	0	154	282	6	13	0	0	33	7	0	643	
Maryland	169	1,323	173	1,288	5	24	3,204	45	83	0	0	0	167	46	0	6,048	
Northeast	1,523	12,336	1,195	6,667	54	151	36,926	859	3,515	17	15	0	336	103	304	62,571	
Michigan	395	3,257	586	2,951	20	81	3,294	11,211	110	340	0	0	128	28	0	17,868	
Wisconsin	813	6,874	527	3,114	7	22	2,794	10,154	36	87	0	0	144	52	0	20,244	
Minnesota	1,027	6,876	465	2,430	14	27	2,667	11,069	29	148	0	0	175	59	0	20,409	
Lower States	2,815	17,007	1,518	8,455	41	160	9,255	25,514	276	515	0	0	350	139	0	39,521	
Ohio	493	4,448	248	1,452	12	25	1,876	5,893	19	19	0	0	43	12	0	11,759	
Indiana	454	4,741	295	1,664	36	36	2,286	9,887	53	80	0	0	35	8	0	16,416	
Illinois	472	4,699	340	1,361	53	98	3,212	13,857	111	147	0	0	1	2	0	20,171	
Iowa	686	7,751	483	2,625	22	96	3,403	14,884	10	6	0	0	6	8	0	25,304	
Missouri	1,619	13,699	1,296	5,892	110	207	4,020	13,166	1,296	2,818	0	0	216	51	0	36,150	
Corn Belt	3,654	35,438	2,612	12,954	207	462	14,597	47,537	1,499	3,070	0	0	335	81	0	109,600	
North Dakota	483	6,161	466	3,670	98	106	3,679	14,379	303	224	0	0	1,147	797	49	25,386	
South Dakota	350	4,736	305	2,011	80	237	3,959	13,268	287	172	0	0	78	95	0	21,968	
Nebraska	448	4,486	381	1,712	89	120	2,493	10,858	112	12	0	0	112	66	0	16,937	
Kansas	616	6,466	311	1,372	114	159	2,666	9,868	792	4,036	0	0	200	275	886	23,792	
Northern Plains	1,853	22,456	1,363	8,759	296	232	12,553	47,314	1,384	4,143	0	0	278	3,445	1,893	58,005	
Virginia	445	3,919	360	2,444	3	7	1,986	6,437	66	140	0	0	12	248	40	11,259	
West Virginia	318	2,010	439	2,921	26	22	1,703	4,353	23	102	0	0	7	17	0	9,421	
North Carolina	1,434	11,311	1,079	6,809	41	73	6,234	12,990	492	518	1	2	103	15	40	31,758	
Kentucky	515	5,288	617	3,571	39	86	6,694	10,66	62	1	0	0	30	5	488	16,194	
Tennessee	1,123	8,698	1,199	7,044	54	66	3,065	6,604	388	982	0	0	58	8	0	23,005	
Appalachian	1,835	31,226	3,594	22,759	163	254	16,793	35,088	1,015	1,664	0	0	17	468	71	58,151	
South Carolina	1,171	6,141	255	6,26	51	109	5,335	9,931	599	409	0	0	0	525	63	19,049	
Georgia	1,592	12,171	1,225	8,760	44	82	11,923	15,924	315	169	0	0	30	139	0	32,710	
Florida	1,555	2,465	978	7,871	105	182	2,076	9,111	159	911	0	0	7	12	0	16,069	
Alabama	1,670	10,440	1,648	9,607	12	29	4,834	8,343	185	125	0	0	91	14	0	28,544	
Southeast	3,325	31,197	5,243	32,840	211	711	15,124	29,918	1,256	1,644	0	0	125	178	0	56,312	
Mississippi	3,153	19,123	2,309	10,948	90	144	5,870	12,685	2,067	3,931	0	0	0	51	7	46,898	
Arkansas	1,807	8,284	1,244	4,196	14	32	3,875	10,904	1,367	3,690	0	0	56	107	23	27,485	
Louisiana	1,223	6,996	869	4,846	28	98	4,674	10,327	1,084	2,041	0	0	610	137	0	24,417	
Delta States	6,181	34,403	4,422	20,592	132	274	14,419	33,916	4,518	9,662	0	0	96	231	0	89,740	

Oklahoma-----	1,101	7,518	1,095	5,908	284	779	5,925	15,139	1,173	2,400	16	485	495	83	0	32,402
Texas-----	1,825	14,918	1,556	10,376	427	1,349	12,463	40,130	9,442	29,447	324	6,071	1,256	371	191	103,263
Southern Plains-----	2,926	22,436	2,651	16,284	711	2,188	18,458	55,569	10,615	32,037	370	6,556	1,751	474	191	135,595
Montana-----	286	2,364	251	1,744	261	589	1,738	7,175	61	106	25	448	1,098	635	1,201	14,212
Idaho-----	759	10,284	592	2,628	358	1,236	2,310	12,522	34	109	7	187	76	39	553	27,798
Wyoming-----	208	2,541	189	1,275	132	254	968	5,040	90	223	6	103	124	53	552	10,041
Colorado-----	159	2,550	170	964	161	550	2,601	9,766	599	2,302	60	638	594	203	1,103	18,096
New Mexico-----	144	1,743	254	1,454	120	665	1,423	5,746	43	1,318	71	584	524	133	1,028	15,828
Arizona-----	302	3,486	602	2,924	327	984	1,105	4,362	19	66	14	302	41	10	1,840	13,474
Utah-----	29	311	26	195	13	48	125	513	8	43	5	220	4	1	261	1,532
Nevada-----	1,295	24,240	1,747	11,875	1,531	4,595	11,080	45,618	1,253	4,271	134	2,826	2,276	1,081	5,389	101,035
Mountain-----	617	9,666	388	3,052	457	1,333	2,823	10,736	215	1,394	1	18	951	414	1,832	28,465
Washington-----	274	3,202	294	2,186	257	1,285	5,421	5,421	90	123	10	201	178	68	447	12,171
Oregon-----	214	2,602	464	3,672	313	1,359	1,791	4,597	470	666	8	136	102	66	151	13,649
California-----	1,105	15,490	1,146	8,912	1,027	3,213	5,059	21,154	470	2,153	19	355	1,311	548	2,430	54,265
Pacific-----	30,709	245,019	25,923	151,427	4,653	14,370	128,509	396,144	23,165	63,014	709	10,346	12,478	4,775	9,217	896,382
All States-----	495	3,137	571	3,042	191	281	2,368	4,769	296	557	0	0	43	21	105	11,932
Other areas 5/-----																

1/ As of April 1, 1959. On July 1, 1959, farm-ownership loans outstanding in 48 States totaled \$249,054,289; in Alaska, Hawaii, Puerto Rico, and Virgin Islands \$3,074,358. Includes tenant purchase, farm enlargement, farm development, building improvement, and project liquidation loans, loans primarily for refinancing purposes, and any such loans from State Corporation funds. Excludes insured loans.

2/ Excludes soil and water conservation insured loans.

3/ Also includes production and assistance, rural rehabilitation, construction, and wartime adjustment loans, and any such loans from State Corporation funds.

4/ Includes production and assistance, rural rehabilitation, construction, and wartime adjustment loans, and any such loans from State Corporation funds.

5/ In addition to production emergency, economic emergency and special emergency loans, includes fur, orchard, flood damage, and flood and windstorm restoration loans, and loans made through RAC and transferred to FMA April 16, 1949, for liquidation.

6/ Includes a watershed protection loan in New Jersey. Excludes soil and water conservation insured loans to associations.

7/ Less than \$500.

8/ Alaska, Hawaii, Puerto Rico, and Virgin Islands.

9/ Farmers Home Administration.

Table 8.- Farm-mortgage interest rates: Average for loans held by principal lenders, United States, Jan. 1, specified years, 1910-59 ^{1/}

Year	Federal land banks and Federal Farm Mortgage Corporation		Other lenders				
	Life insurance companies	Banks	Individuals	Miscellaneous ^{2/}	Other lenders combined	All lenders	
	Percent	Percent	Percent	Percent	Percent	Percent	Percent
1910-----	---	5.5	6.2	6.0	6.5	6.1	6.0
1920-----	5.4	5.8	6.5	6.1	6.3	6.2	6.1
1930-----	5.4	5.7	6.5	6.1	6.1	6.2	6.0
1935-----	4.6	5.6	6.3	5.9	6.0	6.0	5.5
1940-----	3.7	4.9	5.5	5.2	5.1	5.3	4.6
1941-----	3.5	4.8	5.5	5.2	4.9	5.2	4.5
1942-----	3.5	4.8	5.4	5.1	4.8	5.1	4.4
1943-----	3.5	4.7	5.4	5.0	4.6	5.0	4.4
1944-----	3.5	4.5	5.3	5.0	4.4	4.9	4.4
1945-----	4.1	4.5	5.2	4.9	4.2	4.8	4.5
1946-----	4.2	4.4	5.2	4.9	4.3	4.8	4.6
1947-----	4.2	4.4	5.1	4.7	4.3	4.7	4.5
1948-----	4.1	4.3	5.1	4.6	4.3	4.7	4.5
1949-----	4.1	4.3	5.0	4.6	4.3	4.6	4.5
1950-----	4.1	4.3	5.0	4.6	4.4	4.7	4.5
1951-----	4.1	4.3	5.1	4.6	4.5	4.7	4.5
1952-----	4.1	4.4	5.2	4.7	4.6	4.8	4.6
1953-----	4.1	4.4	5.2	4.7	4.6	4.8	4.6
1954-----	4.1	4.5	5.3	4.7	4.7	4.8	4.6
1955-----	4.1	4.5	5.3	4.7	4.7	4.9	4.7
1956-----	4.1	4.6	5.3	4.7	4.7	4.9	4.7
1957-----	4.1	4.6	5.4	4.8	5.1	5.0	4.7
1958-----	4.2	4.7	5.5	4.8	5.1	5.0	4.8
1959 ^{3/} ---	4.6	4.9	5.7	4.9	5.1	5.1	5.0

^{1/} Data for 48 States only. Contract rates except on loans of Federal land banks, 1934-44, and Federal Farm Mortgage Corporation, 1938-45, which are included at temporarily reduced rates.

^{2/} Also includes Farmers Home Administration and joint-stock land banks.

^{3/} Preliminary.

Table 9.- Federal land banks: Loans outstanding, principal repayments, other deductions, and loans closed, United States, 1940-59 ^{1/}

Year	Loans out- standing at beginning of year	Decreases in loans		Loans closed 4/	Net change in: outstanding loans	Loans out- standing at end of year
		Principal repayments 2/	Other deductions 3/ (net) 2/ 3/			
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
1940-----	1,904,655	97,413	20,299	117,712	64,275	1,851,218
1941-----	1,851,218	128,704	23,184	151,888	65,068	1,764,398
1942-----	1,764,398	196,898	18,628	215,526	53,974	1,602,846
1943-----	1,602,846	294,099	12,710	306,809	61,900	1,357,937
1944-----	1,357,937	275,722	15,562	291,284	70,275	1,136,928
1945-----	1,136,928	221,624	18,209	239,833	130,492	1,027,587
1946-----	1,027,587	225,305	26,748	252,053	168,887	944,421
1947-----	944,421	190,234	31,207	221,441	146,445	869,425
1948-----	869,425	114,381	52,448	166,829	153,977	856,573
1949-----	856,573	65,713	76,115	141,828	184,730	899,475
1950-----	899,475	72,714	87,211	159,925	206,919	946,469
1951-----	946,469	71,199	92,780	163,979	215,083	997,573
1952-----	997,573	67,892	106,699	174,591	255,511	1,078,493
1953-----	1,078,493	69,603	119,161	188,764	290,160	1,179,889
1954-----	1,179,889	74,302	131,047	205,349	306,404	1,280,944
1955-----	1,280,944	77,306	204,881	282,187	498,408	1,497,165
1956-----	1,497,165	79,221	196,252	275,473	522,360	1,744,052
1957-----	1,744,052	75,113	148,651	223,764	398,993	1,919,281
1958-----	1,919,281	92,747	167,167	259,914	429,424	2,088,791
1959-----	2,088,791	104,347	196,667	301,014	572,064	2,359,841

^{1/} Includes data for Puerto Rico and, for 1959, Alaska. There were no loans in Hawaii. Beginning with

July 1959 includes purchase-money mortgages and sales contracts.

^{2/} Beginning July 1948, "principal repayments" include repayments of unmatured principal only; repayments of matured principal are included in "other deductions."

^{3/} Includes foreclosures, voluntary deeds, and loans in process of foreclosure, less increases in loans by reason of reamortizations, and reinstatements.

^{4/} Includes Federal Farm Mortgage Corporation loans taken over by the Federal land banks.

Farm Credit Administration.

Table 10.- Federal land banks: Number of loans with extensions or delinquent installments as percentage of number outstanding, by States, specified dates, 1950-60 ^{1/}

State and region	1950		1956		1957		1958		1959		Jan. 1, 1960
	Jan. 1	July 1	Jan. 1	July 1	Jan. 1	July 1	Jan. 1	July 1	Jan. 1	July 1	
	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	
Maine-----	7.3	11.9	24.2	24.7	29.6	37.9	30.1	15.3	13.8	28.9	25.9
New Hampshire-----	5.5	15.9	9.3	9.3	8.7	7.5	4.0	5.5	4.6	5.1	5.2
Vermont-----	11.0	25.1	9.3	8.7	10.0	8.2	8.9	8.5	6.1	8.4	5.4
Massachusetts-----	4.9	8.2	6.8	5.9	5.9	5.8	5.5	6.3	4.8	5.4	5.4
Rhode Island-----	3.7	7.8	1.9	2.6	1.9	1.9	1.6	2.8	1.7	1.3	3.1
Connecticut-----	4.6	6.7	3.1	2.1	3.7	2.2	6.1	6.6	6.2	6.7	7.1
New York-----	5.5	11.2	6.2	7.1	6.4	6.2	5.8	5.4	6.7	7.1	6.9
New Jersey-----	6.1	11.2	5.2	5.2	6.5	5.2	5.8	6.9	6.3	6.6	8.1
Pennsylvania-----	4.7	8.1	5.3	5.6	5.5	6.9	6.4	7.2	3.3	6.2	6.6
Delaware-----	1.1	3.6	2.1	5.6	3.4	4.0	3.8	7.2	5.6	7.3	8.1
Maryland-----	4.0	11.6	6.4	7.1	5.6	6.3	6.4	7.2	6.6	6.9	7.4
Northeast-----	5.6	11.1	1.4	7.1	7.5	8.1	7.1	6.7	6.6	6.9	7.4
Michigan-----	5.7	11.4	5.8	6.1	5.4	5.4	5.1	5.3	4.4	4.5	4.2
Wisconsin-----	6.7	15.6	8.3	8.3	7.5	7.1	5.7	6.1	5.3	5.9	5.7
Minnesota-----	4.9	11.9	5.1	5.7	3.7	4.3	4.2	4.2	3.2	3.8	3.6
Lake States-----	5.7	13.1	6.3	6.6	5.4	5.5	4.9	5.1	4.2	4.6	4.4
Ohio-----	2.5	8.2	2.5	3.6	3.3	3.2	3.4	3.9	4.2	4.1	3.8
Indiana-----	2.2	5.7	2.5	2.7	2.4	2.6	2.6	3.0	2.8	3.3	2.8
Illinois-----	2.7	6.9	3.4	3.2	2.7	2.7	2.7	2.7	2.1	2.5	2.9
Iowa-----	2.1	9.5	1.0	2.5	.8	2.3	1.3	1.8	.6	1.8	1.2
Missouri-----	2.5	4.7	3.4	3.3	2.8	3.5	3.1	3.1	2.5	2.3	2.5
Corn Belt-----	2.4	6.6	2.4	3.0	2.2	2.8	2.4	2.8	2.2	2.6	2.5
North Dakota-----	6.3	22.1	8.3	11.6	8.0	8.9	6.3	6.6	5.5	4.4	6.9
South Dakota-----	2.4	10.8	4.7	5.5	4.1	4.2	2.6	2.6	1.3	1.7	2.7
Nebraska-----	2.6	8.1	2.6	3.6	2.4	3.8	2.3	2.6	1.4	1.8	1.7
Kansas-----	3.8	14.1	5.8	9.3	6.5	9.2	5.9	9.3	3.4	6.6	3.2
Northern Plains-----	3.3	15.1	4.9	6.9	4.9	6.2	4.0	5.2	2.6	3.6	3.2
Virginia-----	5.6	8.4	4.7	5.9	4.6	5.4	6.0	7.6	7.0	7.8	9.3
West Virginia-----	5.4	8.0	6.7	6.0	6.0	7.1	6.4	8.3	7.8	8.1	9.4
North Carolina-----	12.4	6.2	9.8	3.0	10.0	2.7	10.4	3.4	8.5	2.6	9.9
Kentucky-----	4.2	5.7	5.4	3.8	3.7	3.0	3.6	3.7	3.6	3.4	2.9
Tennessee-----	5.7	10.8	6.4	5.0	5.6	4.5	5.8	4.6	5.7	3.9	5.1
Appalachian-----	7.6	7.5	7.4	4.2	7.0	3.8	7.4	4.6	6.8	4.0	7.4
South Carolina-----	19.6	11.0	13.3	3.9	16.0	5.2	15.4	5.2	13.3	4.6	15.7
Georgia-----	15.3	7.9	13.0	3.5	13.3	2.9	13.2	3.7	11.1	3.1	14.3
Florida-----	5.9	11.6	4.9	4.7	5.6	5.0	6.2	4.8	5.6	4.2	6.0
Alabama-----	13.1	7.1	9.0	2.6	9.7	3.3	14.3	6.0	11.0	3.9	12.2
Southeast-----	14.2	8.9	10.7	3.3	11.6	3.7	13.4	5.0	10.9	3.8	12.9
Mississippi-----	18.0	12.4	9.6	3.2	10.8	4.0	18.3	8.6	15.9	6.5	13.8
Arkansas-----	5.1	6.7	5.0	2.9	5.1	2.7	5.7	2.7	5.0	2.0	4.1
Louisiana-----	13.3	7.4	10.2	2.4	9.0	2.6	15.5	5.8	14.7	5.0	10.0
Delta States-----	13.4	2.5	8.6	3.0	9.1	3.4	14.6	6.6	13.0	5.1	10.5
Oklahoma-----	3.5	11.6	5.8	8.0	5.9	10.2	6.0	7.4	3.8	6.5	4.4
Texas-----	3.1	3.8	3.1	4.6	4.1	5.1	5.2	4.1	2.8	3.4	2.7
Southern Plains-----	4.8	5.9	1.2	5.2	4.2	6.1	5.3	4.8	3.0	4.0	3.0
Montana-----	10.5	17.6	7.7	5.5	9.6	5.4	7.6	5.0	8.3	4.0	8.9
Idaho-----	10.2	15.5	7.0	4.0	6.9	3.6	5.0	2.9	4.3	2.6	4.4
Wyoming-----	6.4	8.7	6.8	4.3	5.7	3.6	3.7	2.5	2.8	1.6	2.9
Colorado-----	6.9	14.0	12.7	13.5	13.3	15.0	13.0	13.5	11.0	10.2	10.4
New Mexico-----	4.7	12.4	10.8	14.2	12.4	12.9	10.3	12.9	10.4	9.3	8.0
Arizona-----	8.9	9.2	3.6	2.8	3.4	3.6	3.8	3.9	4.0	4.9	2.0
Utah-----	6.8	14.1	3.3	4.7	2.5	4.1	2.5	3.1	3.1	2.6	2.4
Nevada-----	2.4	5.6	3.4	3.2	3.6	2.8	2.8	3.4	3.5	3.5	3.1
Mountain-----	8.0	14.1	8.1	7.2	8.5	7.2	7.2	6.5	6.8	5.2	6.5
Washington-----	11.5	16.6	6.5	6.1	6.4	5.5	4.9	5.1	5.5	5.4	5.5
Oregon-----	8.1	12.8	7.8	7.2	7.1	6.0	6.9	6.1	6.9	6.4	6.4
California-----	5.2	10.6	2.0	2.1	2.1	2.4	2.2	2.5	2.4	2.2	2.0
Pacific-----	7.4	12.0	4.3	4.1	4.3	4.0	3.9	3.9	4.1	3.9	3.8
United States-----	5.9	10.3	5.1	5.1	6.0	5.0	6.3	4.9	5.2	4.1	4.5

^{1/} The years 1956-60 include loans of the Federal Farm Mortgage Corporation, which were sold to the 12 Federal land banks on June 30, 1955.

^{2/} Not available.

^{3/} Does not include delinquent items billed to borrowers and paid by the national farm loan associations.

^{4/} There were no loans in Hawaii and no delinquent loans in Alaska.

Farm Credit Administration.

Total and amount per acre, United States, 1910-59 ^{1/}

Table 11.- Farm-mortgage interest charges: Total and amount per acre, United States, 1910-59 ^{1/}

Year	Total interest charges		Interest charges per acre ^{2/}		Year		Total interest charges		Interest charges per acre ^{2/}	
	1,000 dollars	Cents	Amount	Index numbers (1910-14 = 100)			Amount	Index numbers (1910-14 = 100)		Amount
1910-----	203,188	23.0	83		1936-----		364,474		34.8	125
1911-----	225,351	25.3	91		1937-----		340,730		32.6	117
1912-----	251,745	28.0	101		1938-----		320,094		30.8	110
1913-----	276,294	30.5	109		1939-----		305,449		29.5	106
1914-----	296,236	32.4	116		1940-----		293,147		28.3	102
1915-----	314,255	34.1	122		1941-----		284,451		27.3	98
1916-----	340,532	36.7	132		1942-----		272,089		26.1	94
1917-----	378,309	40.4	145		1943-----		246,119		23.5	84
1918-----	417,032	44.2	159		1944-----		230,367		21.9	79
1919-----	476,312	50.0	180		1945-----		221,243		20.9	75
1920-----	574,090	60.3	216		1946-----		218,807		20.7	74
1921-----	652,656	69.0	248		1947-----		224,925		21.2	76
1922-----	679,904	72.3	260		1948-----		232,477		21.8	78
1923-----	679,220	72.7	261		1949-----		243,161		22.8	82
1924-----	646,838	69.7	250		1950-----		263,906		24.7	99
1925-----	611,012	65.7	236		1951-----		291,338		27.3	98
1926-----	598,244	63.4	228		1952-----		319,207		30.0	108
1927-----	593,006	62.1	223		1953-----		346,643		32.6	117
1928-----	589,530	60.9	219		1954-----		373,057		35.1	126
1929-----	581,959	59.4	213		1955-----		404,582		38.0	136
1930-----	569,756	57.3	206		1956-----		445,705		41.7	150
1931-----	553,008	54.9	197		1957-----		486,663		45.4	163
1932-----	525,760	51.5	185		1958-----		526,742		49.1	176
1933-----	472,283	45.7	164		1959 ^{3/} -----		579,588		54.0	194
1934-----	430,420	41.1	147							
1935-----	396,092	37.6	135							

^{1/} Data for 48 States only. Estimated as payable during calendar year. Excludes amounts paid by the Secretary of the Treasury to Federal land banks, 1923-44, and Federal Farm Mortgage Corporation, 1937-45, as reimbursement for interest reductions granted borrowers.

^{2/} Based on census figures for acreage in all farms, whether mortgaged or free of debt, except for 1935 to date when public and Indian lands are excluded. Acreage for the midpoint of each year is determined by a straight-line interpolation between quinquennial censuses.

^{3/} Preliminary.

Table 12.- Farm-mortgage interest charges, by regions, specified years, 1910-59 1/

Year	Northeast:	Lake States	Corn Belt	Northern Plains	Appalachian	Southeast:	Delta States	Southern Plains	Mountain	Pacific	United States
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
1910--	20,848	26,370	66,607	30,888	6,585	5,632	5,649	18,313	8,666	13,630	203,188
1920--	34,702	72,311	166,142	97,022	23,833	19,834	17,541	50,900	47,178	44,627	574,090
1930--	40,455	67,119	155,203	82,801	26,370	21,721	16,990	61,423	38,691	58,983	569,756
1940--	27,772	38,734	79,230	35,000	18,011	11,928	11,174	25,394	16,769	29,135	293,147
1941--	26,625	37,507	77,491	33,111	17,797	11,984	11,180	24,919	16,116	27,721	284,451
1942--	25,441	36,112	74,328	31,310	17,013	11,764	10,838	24,087	15,038	26,158	272,089
1943--	23,597	33,026	66,825	28,023	15,325	10,911	9,862	21,497	13,311	23,742	246,119
1944--	22,245	31,320	61,363	25,634	14,547	10,266	9,386	20,213	12,631	22,762	230,367
1945--	21,658	30,162	57,005	23,540	14,528	10,055	9,356	19,233	12,688	23,018	221,243
1946--	22,384	28,775	53,773	21,143	15,464	10,748	9,830	18,929	13,376	24,395	218,807
1947--	24,052	28,749	52,475	19,663	16,799	11,852	10,400	19,648	14,917	26,370	224,925
1948--	25,364	29,070	52,518	18,629	17,761	12,680	10,668	20,535	16,743	28,509	232,477
1949--	26,315	29,846	54,364	18,837	18,282	13,138	10,860	21,946	18,571	31,002	243,161
1950--	27,467	31,789	58,439	20,350	19,901	14,560	11,838	24,268	21,179	34,115	263,906
1951--	28,989	34,313	63,650	22,208	22,582	16,999	13,454	26,810	24,067	38,266	291,338
1952--	30,961	36,823	68,505	23,999	25,001	19,280	15,215	29,620	26,782	43,021	319,207
1953--	33,197	39,254	72,758	26,043	27,169	21,230	17,015	32,689	29,859	47,429	346,643
1954--	35,408	41,582	77,353	28,277	29,218	22,966	18,668	35,281	33,262	51,042	373,057
1955--	37,464	44,480	83,749	31,257	31,427	25,004	20,554	38,375	36,692	55,584	404,582
1956--	39,725	48,215	91,819	35,612	34,244	28,340	23,168	41,819	41,119	61,644	445,705
1957--	41,989	51,822	99,706	39,913	37,400	32,230	26,233	44,620	45,626	67,124	486,663
1958--	44,251	55,348	107,413	42,954	40,742	36,211	29,605	47,075	49,367	73,776	526,742
1959 2/	47,039	60,478	118,074	46,285	45,073	40,975	33,302	49,968	54,228	84,166	579,588

1/ Data for 48 States only. Estimated as payable during calendar year. Excludes amounts paid by Secretary of the Treasury to Federal land banks, 1933-44, and Federal Farm Mortgage Corporation, 1937-45, as reimbursement for interest reductions granted borrowers.

2/ Preliminary.

Table 13.- Farm real estate not under contract of sale held by selected lending agencies, United States, Jan. 1, 1940-60 1/

Table 13.- Farm real estate not under contract of sale held by selected lending agencies, United States, Jan. 1, 1940-60 1/

Year	Federal land banks 2/	Federal Farm Mortgage Corporation 2/	Excluding prior liens	Including prior liens	Life insurance companies 3/	Joint-stock land banks 4/	Insured commercial banks 5/	Three State credit agencies 6/
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
1940-----	125,800	29,437	40,378	599,653	46,827	42,045	68,324	
1941-----	109,066	25,113	32,780	547,637	36,172	33,373	60,900	
1942-----	73,600	18,217	23,614	441,772	25,130	22,841	53,498	
1943-----	40,435	14,322	19,909	336,233	18,306	17/ 19,532	44,145	
1944-----	16,779	9,067	12,615	205,410	6,605	8/	36,159	
1945-----	6,680	4,314	6,039	119,752	4,201	8/	32,691	
1946-----	1,916	1,451	2,111	80,046	1,601	8/	3,619	
1947-----	487	542	790	33,229	463	8/	8/	
1948-----	171	162	269	13,418	154	8/	8/	
1949-----	76	30	8/	5,464	3	8/	8/	
1950-----	85	45	8/	2,187	2/	8/	8/	
1951-----	47	53	8/	1,041	0	8/	8/	
1952-----	59	28	8/	746	0	8/	8/	
1953-----	80	26	8/	1,612	0	8/	8/	
1954-----	103	11	8/	2,518	0	8/	8/	
1955-----	74	23	8/	3,282	0	8/	8/	
1956-----	165	0	0	2,793	0	8/	8/	
1957-----	168	0	0	2,257	0	8/	8/	
1958-----	167	0	0	2,109	0	8/	8/	
1959-----	103	0	0	2,294	0	8/	8/	
1960-----	59	0	0	8,315	0	8/	8/	

1/ Data for 48 States only.

2/ Investment. Includes sheriffs' certificates and judgments.

3/ Book value. Estimates based on data from a sample of companies.

4/ Carrying value. Includes sheriffs' certificates and judgments. Real estate held by banks in receivership included at book value.

5/ Book value.

6/ Investment. Department of Rural Credit of Minnesota, Bank of North Dakota, and Rural Credit Board of South Dakota. The large reduction during 1945 reflects a charge-off of approximately \$27,000,000 of cumulated losses by the Rural Credit Board of South Dakota upon completion of liquidation.

7/ July 1, 1942.

8/ Data not available.

9/ Less than \$500.

Table 14.- Farm real estate acquired and held by Federal land banks and Federal Farm Mortgage Corporation, United States, 1940-59 ^{1/}

Year	Acquired during year 2/				Held as of December 31			
	Federal land banks		Federal Farm Mortgage Corporation		Federal land banks		Federal Farm Mortgage Corporation	
	Farms	Investment	Farms	Investment	Farms	Investment	Farms	Investment
	Number	1,000 dollars	Number	1,000 dollars	Number	1,000 dollars	Number	1,000 dollars
1940-----	5,242	23,029	3,790	12,626	21,337	109,066	7,503	25,113
1941-----	4,129	17,592	3,201	10,191	14,578	73,600	5,204	18,217
1942-----	3,067	12,968	3,245	10,994	8,322	40,435	4,056	14,322
1943-----	1,294	6,036	1,946	7,249	3,625	16,779	2,423	9,067
1944-----	513	2,331	758	2,958	1,423	6,680	1,120	4,314
1945-----	243	1,040	311	1,143	397	1,916	365	1,451
1946-----	73	280	149	587	105	487	144	542
1947-----	34	127	33	91	47	171	45	162
1948-----	18	60	10	40	24	76	13	30
1949-----	12	61	19	27	20	85	21	45
1950-----	14	35	13	28	20	47	16	53
1951-----	17	34	10	14	20	59	15	28
1952-----	17	77	12	18	27	80	10	26
1953-----	27	91	7	13	34	103	8	11
1954-----	24	68	11	22	26	74	11	23
1955-----	56	197	6	12	50	165	0	0
1956-----	50	156	0	0	49	168	0	0
1957-----	38	170	0	0	36	167	0	0
1958-----	25	96	0	0	24	103	0	0
1959-----	16	69	0	0	14	59	0	0

^{1/} Includes sheriffs' certificates and judgments. Data for 48 States only.

^{2/} Excludes reacquirements for 1955 and prior years.

^{3/} Excludes prior liens.

Farm Credit Administration.

Table 15.—Interest rates charged on new loans by agencies of the Farm Credit Administration and by the Farmers Home Administration, United States, Jan. 1, specified years, 1950-60 1/2

Agency and type of loan	1950	1952	1953	1954	1955	1956	1957	1958	1959	1960
FARM CREDIT ADMINISTRATION										
Real estate loans:										
Federal land banks (contract rate):	4-4 1/2	4-5	4-5	4-5	4-5	4-5	4 1/2-5	5 1/2-6	5-5 1/2	6
Non-real-estate loans:										
Production credit associations:	4 1/2-6	5-6 3/4	5-6 3/4	5-6 3/4	4 3/4-6	5-7	5-7	5-8	5-7	6-8 3/4
Federal intermediate credit banks:	2	2 5/8-2 3/4	2 5/8-2 3/4	2 3/4-3	1 3/4-2	3-3 3/8	3 3/4-4 1/4	4 1/2-4 3/4	3-4	5-6
Banks for cooperatives:										
Loans secured by Commodity Credit Corporation documents:	2 1/4	2 1/2-2 3/4	2 1/2-3	2 3/4-3 1/4	2 3/4	2 3/4-3	3 1/4-4	4 1/4-5	3 1/4-4 1/4	3 1/2-5 1/2
Commodity loans:	2 1/4	2 1/2-2 3/4	2 1/2-3	2 3/4-3 1/4	2 3/4	3-4 1/2	3 1/2-4 1/2	4 1/2-5 1/4	3 1/4-4 3/4	5-6
Operating capital loans:	3	3-3 1/4	3-3 1/2	3-3 1/2	3-3 1/4	3-4 1/2	3 1/2-4 1/2	4 1/2-5 1/2	3 1/4-5	5-6
Facility loans:	4	4-4 1/2	4-4 1/2	4-4 1/2	4-4 1/2	4-4 1/2	4-4 1/2	4-4 1/2	4-4 1/2	4-4 1/2
FARMERS HOME ADMINISTRATION										
Real estate loans:										
Farm ownership 2/:	4	4	4	4	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2-5	5
Farm housing 3/:	4	4	4	4	---	---	4	4	4	4
Soil and water conservation 1/:	3	3	3	3	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2-5	4 1/2-5
Water shed protection 2/:	---	---	---	---	---	---	---	---	---	2.699
Non-real-estate loans:										
Operating 5/:	5	5	5	5	5	5	5	5	5	5
Emergency 6/:	3	3	3	3	3	3	3	3	3	3
Special livestock:	---	---	---	---	---	---	---	---	---	---
Fur 7/:	3	5	5	5	5	5	5	5	---	---
Orchard 8/:	---	5	5	5	---	---	---	---	---	---
Flood damage 9/:	3	---	---	---	---	---	---	---	---	---

1/ Data for 48 States only.

2/ These rates apply to direct loans and to loans made by private lenders and insured by the Government, including a 1-percent mortgage insurance charge through Jan. 1, 1958. The rate for direct loans on Jan. 1, 1959, was 4 1/2 percent and was increased to 5 percent Sept. 1, 1959. The rate for insured loans made after Dec. 21, 1958, increased to 5 percent including the 1-percent mortgage insurance charge.

3/ These loans were made from Nov. 1949 through June 30, 1954, and from May 1956 to the present.

4/ Prior to Sept. 17, 1954, these loans were known as water facilities loans. Loans are made to individuals and associations. The rate from Jan. 1, 1955, through Jan. 1, 1958, applies to direct and insured loans, including a 1-percent mortgage insurance charge on the insured loans. The rate for direct loans on Jan. 1, 1959, was 4 1/2 percent; on Jan. 1, 1960, the rate for direct individual loans increased to 5 percent, but the rate for direct association loans continued at 4 1/2 percent. The rate for insured loans made after Dec. 21, 1956, increased to 5 percent including the 1-percent mortgage insurance charge.

5/ Rate determined by the Secretary of the Treasury each fiscal year. The rate shown for Jan. 1, 1960, is the prevailing rate for the period July 1, 1959, to June 30, 1960.

6/ Prior to the fall of 1956 these loans were known as production and subsistence loans.

7/ The authority for making fur loans expired on June 30, 1958.

8/ These loans were made from July 1950 to June 1954.

9/ These loans were made from July 1948 to June 1950.

Farm Credit Administration and Farmers Home Administration.

Table 16.- Non-real-estate loans to farmers: Amounts held by principal lending institutions, United States, specified dates, 1915-60 1/

Beginning of year or month	All operating banks				Agencies supervised by Farm Credit Administration				Farmers Home Administration				Commodity Credit Corporation				Total, including loans held and guaranteed by Commodity Credit Corporation			
	Including loans guaranteed by Commodity Credit Corporation		Excluding loans guaranteed by Commodity Credit Corporation		Production credit associations 2/		Federal intermediate credit banks 3/		Operating loans 5/ 6/		Emergency crop and feed loans 7/ 8/		Emergency loans 9/ 10/		Total, excluding loans guaranteed by Commodity Credit Corporation		Total, including loans held and guaranteed by Commodity Credit Corporation			
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars			
1915-----	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---		
1920-----	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---		
1925-----	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---		
1930-----	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---		
1935-----	627,878	840,887	60,459	60,459	55,083	55,083	13/ 5,600	87,087	111,238	947,345	37,162	213,009	1,197,516							
1940-----	900,079	1,134,573	153,425	153,425	32,316	32,316	242,200	8,005	167,795	1,503,820	208,193	237,065	1,949,078							
1945-----	948,829	1,377,405	188,306	203,794	29,792	29,966	300,908	13,618	138,068	1,619,521	146,670	536,022	2,302,213							
1946-----	1,033,800	1,177,042	194,788	201,135	26,487	26,487	276,945	7,388	128,901	1,668,309	98,904	178,089	1,945,302							
1947-----	1,289,105	1,333,048	230,025	238,321	31,701	31,701	279,727	3,695	116,733	1,950,986	71,246	57,628	2,015,860							
1948-----	1,592,762	1,660,930	289,077	292,560	37,916	37,916	262,021	2,634	105,913	2,290,323	2,493	81,046	2,373,862							
1949-----	1,945,598	2,861,174	366,822	367,699	55,750	55,750	249,077	3,073	90,048	2,710,368	235,215	916,453	3,862,036							
1950-----	2,048,819	3,052,339	387,454	387,547	50,825	50,825	262,714	12,771	71,186	2,833,769	719,677	1,003,613	4,557,059							
1951-----	2,524,153	2,906,115	450,673	450,710	62,073	62,073	253,538	22,544	53,283	3,366,254	434,531	381,999	4,182,784							
1952-----	3,120,196	3,409,878	561,371	561,445	77,841	77,841	245,754	20,110	38,191	4,063,463	306,563	289,756	4,659,782							
1953-----	3,195,058	3,920,621	599,295	599,364	82,931	82,931	281,054	28,739	27,919	4,214,996	467,676	725,632	5,400,304							
1954-----	2,762,562	4,489,965	541,786	541,793	63,557	63,557	304,900	50,792	19,946	3,743,543	673,472	1,727,410	6,144,425							
1955: Jan.-----	2,933,851	4,659,703	576,997	595,789	58,276	58,276	330,345	70,532	16,327	3,986,328	488,722	1,744,644	6,219,694							
July-----	3,506,336	4,030,526	794,677	796,120	72,458	72,458	356,527	122,247	14,720	4,867,165	796,356	525,433	6,188,954							
1956: Jan.-----	3,308,443	4,477,049	644,449	645,959	61,907	61,907	319,443	72,747	13,494	4,420,483	712,131	1,170,116	6,302,730							
July-----	3,657,040	4,255,841	854,721	854,840	69,132	69,132	365,424	126,591	12,401	5,085,309	980,881	598,920	6,665,110							

[illegible]

1/ Data for 48 States, except as indicated.

2/ Beginning 1942, includes certificates of interest in pool of Commodity Credit Corporation cotton loans. Beginning 1954, also includes certificates of interest issued to cooperatives other than cotton, except that, for the period 1954 through 1959 certificates based on pooled loans to cooperatives are excluded.

3/ Includes loans of associations in liquidation.

3/ increases loans or associations in liquidation.

4/ Loans to and discounts for livestock loan companies and agricultural credit corporations.

4/ Loans to and discounts for livestock loan companies and agricultural credit corporations.

5/ Includes production and subsistence, rural-rehabilitation, construction, and wartime-ed-livestock loans and such loans made from State Corporation trust

2) Includes production and subsistence, rural-remittances except for Jan. 1, 1938, through Jan. 1, 1942.

and except for Jan. 1, 1930, through Jan. 1, 1942.
6/ Data reviewed from July 1, 1939, through July 1, 1955, to exclude soil and water conservation loans of the Farmers Home Administration.

6/ DATA REVISED FROM JULY 1, 1939, THROUGH JULY 1, 1955, TO EXCLUDE SOIL AND WATER CONSERVATION LOANS OF THE FARMERS HOME ADMINISTRATION.

7/ Includes production emergency (beginning 1949) economic emergency and special livestock (beginning 1954). Flood-damage fur. orchard.

Ukraine production emergency (beginning 1949), economic emergency and special livestock (beginning 1954), flood-damage, fur, orchard, and farm restoration loans and loans made by the central agricultural credit corporations before their dissolution in 1940.

form-restoration loans, and loans made by the regional agricultural credit corporations before their dissolution in 1990/ Includes seed, feed, cover production, brought relief and orchard-rehabilitation loans. These are in liquidation

8/ Includes seed, feed, crop-production, drought-relief, and orchard-rehabilitation loans. These are in liquidation.

9/ Excludes pooled loans against which certificates of interest were issued. Beginning Jan. 1, 1950, includes loans for storage facilities and equipment. The data for later dates include a small amount of facility loans only when used against estate facility loans are included. The data for 1956 through Jan. 1, 1950, exclude

Jan. 1, 1950, through

cured by real estate.

10/ Includes some loans to farmers by cooperative marketing associations not shown separately. Otherwise represents total of guaranteed loans and

Certificates of interest included in preceding columns.

11/ Includes loans of War Finance Corporation.

12/ July 1 of previous year.

113/ Cumulative amounts obligated. Data for amounts held unavailable.

114/ Bank data are for June 7, 1957, June 24, 1958, and June 11, 1959, rather than July 1.

15/ Includes Alaska and Hawaii.

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Table 17.- Non-real-estate loans to farmers: Amounts held by all operating banks, by States, specified dates, 1959 and 1960 1/

State and region	All operating banks					
	Including loans guaranteed by Commodity Credit Corporation 2/			Excluding loans guaranteed by Commodity Credit Corporation		
	Jan. 1, 1959	June 11, 1959	Jan. 1, 1960	Jan. 1, 1959	June 11, 1959	Jan. 1, 1960
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
Maine-----	11,887	10,824	11,759	11,749	10,711	11,759
New Hampshire-----	3,676	3,927	3,778	3,676	3,927	3,778
Vermont-----	15,929	15,929	15,929	15,223	15,929	16,729
Massachusetts-----	9,559	11,168	10,948	9,559	11,045	10,803
Rhode Island-----	978	1,088	966	978	1,088	966
Connecticut-----	8,335	6,682	6,765	8,335	6,682	6,765
New York-----	88,838	95,827	109,382	88,440	95,517	108,506
New Jersey-----	16,294	18,779	17,991	16,294	18,779	17,991
Pennsylvania-----	83,406	86,284	93,256	83,317	86,218	93,113
Delaware-----	3,807	4,438	4,674	3,733	4,362	4,608
Maryland-----	17,824	19,096	21,127	17,824	19,096	21,127
District of Columbia-----	120	153	586	120	153	241
Northeast-----	259,947	274,195	297,961	259,248	273,507	296,386
Michigan-----	88,160	95,001	98,687	87,424	94,585	97,970
Wisconsin-----	100,440	108,782	115,967	100,326	108,618	115,875
Minnesota-----	245,682	242,003	257,589	211,026	233,043	249,388
Lake States-----	434,282	445,786	472,243	398,776	436,246	463,233
Ohio-----	112,765	117,007	118,116	106,611	114,177	113,436
Indiana-----	124,186	135,316	138,123	116,733	130,979	132,566
Illinois-----	334,999	331,835	372,912	302,339	317,486	361,146
Iowa-----	501,840	492,171	537,257	449,400	472,902	518,046
Missouri-----	190,372	199,488	194,184	160,983	192,355	180,341
Corn Belt-----	1,264,162	1,275,817	1,360,592	1,136,066	1,227,899	1,305,535
North Dakota-----	94,469	77,160	73,247	54,696	66,751	66,797
South Dakota-----	122,589	121,560	113,257	91,648	109,924	109,246
Nebraska-----	316,404	294,870	323,389	252,276	270,131	298,045
Kansas-----	339,439	293,675	304,116	241,744	258,796	268,503
Northern Plains-----	872,901	787,265	814,009	640,364	705,602	742,591
Virginia-----	51,041	58,823	51,636	50,002	58,777	51,466
West Virginia-----	7,778	8,481	8,186	7,778	8,481	8,186
North Carolina-----	39,035	70,742	42,959	35,572	70,251	42,884
Kentucky-----	70,710	78,294	76,827	69,128	77,375	75,762
Tennessee-----	73,700	74,793	56,057	53,228	68,340	54,739
Appalachian-----	242,264	294,133	235,665	215,708	283,224	233,037
South Carolina-----	17,959	24,446	13,331	12,452	22,584	13,260

Tennessee-----	73,700	74,793	56,057	53,228	54,349
Arkansas-----	242,264	291,133	235,665	215,708	283,224
South Carolina-----	17,959	24,446	13,331	12,452	22,584
Georgia-----	49,006	59,848	39,255	35,636	55,122
Florida-----	27,674	28,328	33,675	27,654	38,739
Alabama-----	53,818	62,518	41,381	35,002	28,258
Southeast-----	148,457	175,140	127,642	110,744	56,357
Mississippi-----	46,545	59,753	43,050	34,109	162,321
Arkansas-----	81,956	82,018	58,267	47,598	53,224
Louisiana-----	31,324	33,926	26,897	24,225	72,242
Delta States-----	159,825	175,697	128,214	105,932	26,917
Oklahoma-----	149,363	144,404	130,393	105,785	156,383
Texas-----	496,867	425,936	355,895	289,152	125,107
Southern Plains-----	646,230	570,340	486,288	394,937	370,916
Montana-----	77,457	80,865	76,327	58,373	496,023
Idaho-----	53,601	56,363	54,180	50,776	77,763
Wyoming-----	35,052	40,820	36,955	33,193	55,918
Colorado-----	147,290	153,368	162,672	139,042	40,603
New Mexico-----	35,666	39,723	30,977	29,565	149,383
Arizona-----	80,170	90,424	98,108	79,801	36,691
Utah-----	33,262	34,069	34,007	32,672	30,815
Nevada-----	6,539	8,499	8,256	6,539	90,400
Mountain-----	469,037	504,131	501,482	429,961	32,880
Washington-----	71,979	85,927	75,986	66,864	8,499
Oregon-----	47,220	58,826	51,250	45,862	492,137
California-----	358,395	451,525	462,519	356,198	84,178
Pacific-----	477,594	596,278	589,755	468,924	58,746
48 States-----	4,974,699	5,095,782	5,013,951	4,160,660	449,415
Alaska-----	240	339	394	240	592,339
Hawaii-----	3,909	3,917	5,110	3,909	4,813,836
United States-----	4,978,848	5,100,038	5,019,355	4,164,809	339
Other areas 3/-----	14,298	11,404	10,703	14,298	3,917
					5,110
					4,829,937
					4,819,340
					10,583

1/ Loans are classified according to location of bank and, therefore, are not strictly comparable with data for other lenders which are classified according to location of security or borrower.

2/ Also includes certificates of interest in pool of Commodity Credit Corporation loans.

3/ Mariana Islands, Puerto Rico, Virgin Islands, and Samoa (American).

Federal Deposit Insurance Corporation.

Table 18.- Non-real-estate loans to farmers: Amounts held by insured commercial banks, by States, specified dates, 1959 and 1960 1/

State and region	Insured commercial banks					
	Including loans guaranteed by Commodity Credit Corporation 2/			Excluding loans guaranteed by Commodity Credit Corporation		
	Jan. 1, 1959	June 11, 1959	Jan. 1, 1960	Jan. 1, 1959	June 11, 1959	Jan. 1, 1960
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
Meine-----	10,672	9,853	11,468	10,534	9,740	11,468
New Hampshire-----	3,524	3,628	3,559	3,524	3,628	3,559
Vermont-----	13,928	14,602	15,306	13,928	14,602	15,306
Massachusetts-----	9,559	11,168	10,948	9,559	11,045	10,803
Rhode Island-----	911	976	923	911	976	923
Connecticut-----	8,178	6,485	6,575	8,178	6,485	6,575
New York-----	88,837	95,826	109,376	88,439	95,516	108,500
New Jersey-----	16,294	18,779	17,991	16,294	18,779	17,991
Pennsylvania-----	83,224	85,845	92,790	83,135	85,779	92,647
Delaware-----	3,807	4,438	4,674	3,733	4,362	4,608
Maryland-----	17,824	19,062	21,096	17,824	19,062	21,096
District of Columbia-----	120	153	586	120	153	241
Northeast-----	256,878	270,815	295,292	256,179	270,127	293,717
Michigan-----	88,160	95,001	98,687	87,424	94,585	97,970
Wisconsin-----	99,975	108,273	115,462	99,861	108,109	115,370
Minnesota-----	244,787	241,180	256,704	210,393	232,368	248,664
Lake States-----	432,922	444,454	470,853	397,678	435,062	462,004
Ohio-----	111,759	116,013	117,139	105,605	113,183	112,459
Indiana-----	123,792	134,793	137,594	116,339	130,456	132,037
Illinois-----	334,976	331,812	372,882	302,316	317,463	361,116
Iowa-----	479,407	471,102	514,783	430,165	453,743	496,889
Missouri-----	188,872	198,134	193,169	160,003	191,049	179,686
Corn Belt-----	1,238,806	1,251,854	1,335,567	1,114,428	1,205,894	1,282,187
North Dakota-----	93,668	76,403	72,689	54,183	66,134	66,272
South Dakota-----	122,589	121,560	113,257	121,648	109,924	109,246
Nebraska-----	304,631	285,328	313,408	244,281	262,648	289,561
Kansas-----	327,657	286,221	302,993	234,980	254,079	267,751
Northern Plains-----	848,515	769,512	802,287	625,092	692,785	732,830
Virginia-----	51,041	58,823	51,636	50,002	58,777	51,466
West Virginia-----	7,778	8,481	8,186	7,778	8,481	8,186
North Carolina-----	39,035	70,742	42,926	35,572	70,251	42,851
Kentucky-----	70,545	77,874	76,508	68,963	77,105	75,443
Tennessee-----	72,422	73,315	55,785	52,930	67,712	54,467
Appalachian-----	240,851	289,235	235,041	215,245	282,326	232,413

South Carolina-----	17,916	24,344	13,276	12,409	22,482	13,205
Georgia-----	48,688	59,215	36,693	35,288	54,489	36,178
Florida-----	27,577	28,328	33,536	27,557	28,258	33,535
Alabama-----	53,818	62,518	41,361	35,002	56,357	41,187
Southeast-----	147,969	174,405	126,886	110,256	161,586	126,105
Mississippi-----	46,372	59,482	42,852	33,936	52,953	40,481
Arkansas-----	81,836	81,845	58,141	47,478	72,069	49,476
Louisiana-----	31,159	33,621	26,875	24,192	30,744	26,792
Delta States-----	159,367	174,948	127,868	105,606	155,766	116,749
Oklahoma-----	148,654	143,825	130,035	105,277	124,528	121,160
Texas-----	493,333	422,474	353,001	286,547	367,594	328,455
Southern Plains-----	642,007	566,299	483,036	391,824	492,122	449,615
Montana-----	77,457	80,865	76,327	58,373	77,763	72,106
Idaho-----	53,601	56,363	54,180	50,776	55,918	51,861
Wyoming-----	35,052	40,820	36,955	33,193	40,603	36,301
Colorado-----	147,260	153,322	162,621	139,012	149,337	159,485
New Mexico-----	35,666	39,723	30,377	29,565	36,691	30,815
Arizona-----	80,170	90,424	98,108	79,801	90,400	98,074
Utah-----	32,776	33,747	33,711	32,186	32,558	33,692
Nevada-----	6,539	8,499	8,256	6,539	8,499	8,256
Mountain-----	468,521	503,763	501,135	429,445	491,769	490,590
Washington-----	71,683	85,702	75,699	66,667	83,965	72,891
Oregon-----	47,213	58,806	51,248	45,855	58,726	50,450
California-----	358,395	451,525	462,519	356,198	449,415	461,929
Pacific-----	477,291	596,033	589,466	468,720	592,106	585,270
48 States-----	4,913,157	5,041,318	4,967,431	4,114,473	4,779,543	4,771,480
Alaska-----	225	322	388	225	322	388
Hawaii-----	47	3,917	5,110	47	3,917	5,110
United States-----	4,913,429	5,045,557	4,972,929	4,114,745	4,783,782	4,776,978
Other areas 3/-----	13,697	11,117	10,541	13,697	11,117	10,421

1/ Loans are classified according to location of bank and, therefore, are not strictly comparable with data for other lenders which are classified according to location of security or borrower.

2/ Also includes certificates of interest in pool of Commodity Credit Corporation loans.

3/ Mariana Islands, Puerto Rico, and Virgin Islands.

Federal Deposit Insurance Corporation.

Table 19.- Comparative rates and yields on selected bonds and money rates, United States, specified years, 1930-59 1/

Year or quarter	Federal land- bank bonds 2/		Federal : inter- mediate : credit : bank : debenture :		United States : Government bond : yields 6/		Municipal : (high- grade) : bond : yields :		Indus- trial : bond : yields :		Rates on : prime : commer- : cial : paper : (4 to 6 : months) :		Federal : Reserve : bank : dis- : count : rates, : New York :	
	Rates : 3/	Yields : 4/	Percent : 2/ 5/	Percent : 7/	Percent : 15 years : and over :	Percent : 2/	Percent : 10/	Percent : 10/	Percent : 10/	Percent : 10/	Percent : 6/ 11/	Percent : 6/ 12/	Percent : 6/ 12/	Percent : 6/ 12/
	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent
1930-----	4.53	4.58	3.39	3.29	---	4.07	5.25	3.59	2.00-4.50					
1935-----	3.86	3.13	1.50	2.79	---	3.40	4.02	13/ .75	1.50					
1936-----	3.60	2.81	1.50	2.69	---	3.07	3.50	.75	1.50					
1937-----	3.54	2.75	1.50	2.74	---	3.10	3.55	13/ .94	1.00-1.50					
1938-----	3.53	2.37	1.24	2.61	---	2.91	3.50	.81	1.00					
1939-----	3.53	1.90	.88	2.41	---	2.76	3.30	.59	1.00					
1940-----	3.53	1.70	.75	2.26	---	2.50	3.10	.56	1.00					
1941-----	3.53	---	.70	2.05	---	2.10	2.95	13/ .53	1.00					
1942-----	3.48	---	.77	2.09	2.46	2.36	2.96	.66	1.00					
1943-----	3.42	---	.81	1.98	2.47	2.06	2.85	.69	1.00					
1944-----	3.06	---	.87	1.92	2.48	1.86	2.80	.73	1.00					
1945-----	2.45	---	.88	1.66	2.37	1.67	2.68	.75	1.00					
1946-----	1.55	1.36	.93	---	2.19	1.64	2.60	.81	1.00					
1947-----	1.55	1.46	1.11	---	2.25	2.01	2.67	1.03	1.00					
1948-----	1.55	1.87	1.55	---	2.44	2.40	2.87	1.44	1.00-1.50					
1949-----	1.57	1.54	1.47	---	2.31	2.21	2.74	13/ 1.49	1.50					
1950-----	1.62	1.67	1.52	---	2.32	1.98	2.67	1.45	1.50-1.75					
1951-----	1.71	2.24	2.18	---	2.57	2.00	2.89	2.16	1.75					
1952-----	2.09	2.38	2.26	---	2.68	2.19	3.00	2.33	1.75					
1953-----	2.44	2.74	2.62	---	2.94	2.72	3.30	2.52	1.75-2.00					
1954-----	2.37	1.67	1.53	---	2.55	2.37	3.09	1.58	1.50-2.00					
1955-----	2.46	2.74	2.28	---	2.84	2.53	3.19	2.18	1.50-2.50					
1956-----	2.83	3.32	3.46	---	3.08	2.93	3.50	3.31	2.50-3.00					
1957-----	3.59	3.93	4.22	---	3.47	3.60	4.12	3.81	3.00-3.50					
1958-----	3.45	3.12	2.53	---	3.43	3.56	3.98	2.46	1.75-3.00					
Jan. to Mar.-----	3.54	2.96	3.62	---	3.25	3.38	3.88	2.82	2.25-3.00					
Apr. to June-----	3.49	2.60	1.74	---	3.15	3.27	3.80	1.72	1.75-2.25					
July to Sept.-----	3.26	3.20	1.94	---	3.57	3.72	4.00	2.13	1.75-2.00					
Oct. to Dec.-----	3.45	3.70	3.56	---	3.75	3.87	4.24	3.21	2.00-2.50					
1959-----	3.90	4.34	4.39	---	4.07	3.95	4.51	3.97	2.50-4.00					
Jan. to Mar.-----	3.42	3.83	3.64	---	3.91	3.83	4.29	3.30	2.50-3.00					
Apr. to June-----	3.57	4.17	4.16	---	4.06	3.95	4.45	3.60	3.00-3.50					
July to Sept.-----	3.63	4.53	4.73	---	4.16	4.04	4.61	4.19	3.50-4.00					
Oct. to Dec.-----	3.90	4.83	5.33	---	4.17	3.99	4.70	4.76	4.00					

1/ Data for 48 States only.

2/ Farm Credit Administration.

3/ Based on bonds outstanding at end of each year or quarter, excluding bonds owned by issuing agency. Prior to 1950 data are based on the face rate of the bonds but beginning in 1950 data represent actual net cost to the land banks.

4/ Average yields on representative outstanding issues.

5/ Based on debentures issued during each year or quarter. Prior to 1950, data are based on face rates but beginning in 1950 represent actual net cost to the intermediate credit banks.

6/ Board of Governors of Federal Reserve System.

7/ Average of yields on all outstanding partially tax-exempt Government bonds due or callable after 12 years, 1930 to 1934, and after 15 years, 1935 to 1945.

8/ April 1, 1952, through September 30, 1955, consists of fully taxable, marketable 2 1/2 percent bonds due or first callable after 12 years; beginning October 1, 1955, consists of those due or callable in 10-20 years. Prior to April 1, 1952, only bonds due or first callable after 15 years were included.

9/ Standard and Poor's Corporation.

10/ Moody's Investors Service.

11/ Prevailing open-market rates in New York City.

12/ Discount rate on advances secured by Government obligations and on discounts of and advances secured by eligible paper. A rate of 0.5 percent was effective from October 30, 1942, to April 23, 1946, on advances secured by Government obligations maturing or callable in 1 year or less.

13/ Revised.

Table 20.- Non-real-estate loans to farmers: Amounts held by production credit associations and by the Federal intermediate credit banks, by States, specified dates, 1959 and 1960

State and region	Production credit associations 1/			Federal intermediate credit banks 2/		
	Jan. 1, 1959	July 1, 1959	Jan. 1, 1960	Jan. 1, 1959	July 1, 1959	Jan. 1, 1960
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
Maine-----	6,594	6,075	7,611	1,984	1,180	2,282
New Hampshire-----	935	1,078	1,194	0	0	0
Vermont-----	7,310	7,606	8,272	0	0	0
Massachusetts-----	2,526	2,592	2,631	0	3	0
Rhode Island-----	694	908	647	0	0	0
Connecticut-----	3,185	3,393	3,570	0	0	0
New York-----	38,490	45,343	46,956	95	0	0
New Jersey-----	4,297	5,794	4,846	46	110	66
Pennsylvania-----	20,517	22,517	22,822	31	0	28
Delaware-----	2,324	3,014	2,566	0	0	0
Maryland-----	12,174	13,785	13,534	0	0	0
Northeast-----	98,646	111,905	114,649	2,156	1,293	2,376
Michigan-----	17,139	21,757	22,925	0	0	33
Wisconsin-----	34,088	41,229	48,545	3,085	3,064	3,186
Minnesota-----	36,279	46,171	51,967	2,578	3,269	3,049
Lake States-----	87,506	109,157	123,435	5,663	6,333	6,268
Ohio-----	57,796	71,428	76,227	2,586	2,361	2,686
Indiana-----	55,610	70,875	67,466	882	0	845
Illinois-----	64,855	76,357	86,431	1,402	5,065	1,571
Iowa-----	33,902	38,191	40,202	1,878	446	3,014
Missouri-----	38,849	56,460	49,374	802	195	913
Corn Belt-----	251,012	313,311	319,700	7,550	8,067	9,029
North Dakota-----	11,842	19,519	18,768	675	943	827
South Dakota-----	17,145	20,154	19,740	703	216	759
Nebraska-----	28,564	33,035	34,603	1,631	232	1,849
Kansas-----	34,928	38,058	39,735	466	0	766
Northern Plains-----	92,479	110,766	112,846	3,475	1,591	4,201
Virginia-----	12,092	16,969	14,424	0	0	0
West Virginia-----	3,100	3,783	3,575	0	0	0
North Carolina-----	30,265	54,153	37,036	0	748	0
Kentucky-----	30,405	39,049	39,233	18	0	28
Tennessee-----	29,172	38,370	36,349	536	1,157	295
Appalachian-----	105,034	152,324	130,617	554	1,905	324
South Carolina-----	15,993	27,952	20,971	0	28	0
Georgia-----	24,931	41,435	52,150	58	38	33
Florida-----	30,236	30,589	39,052	954	832	608
Alabama-----	12,221	19,126	15,807	862	916	1,042
Southeast-----	83,341	118,902	107,980	1,874	1,814	1,683
Mississippi-----	26,895	51,144	26,721	3,481	10,433	2,698
Arkansas-----	25,458	54,250	29,048	419	427	315
Louisiana-----	16,714	32,893	18,579	1,112	1,130	1,115
Delta States-----	69,027	138,287	74,348	5,012	11,990	4,128
Oklahoma-----	26,434	30,475	30,581	5,955	7,465	6,560
Texas-----	90,221	131,093	109,970	21,513	22,822	21,520
Southern Plains-----	116,655	161,568	140,551	27,466	30,287	28,080
Montana-----	21,686	34,065	27,436	577	0	123
Idaho-----	27,998	34,788	28,894	927	0	1,091
Wyoming-----	9,549	11,304	9,323	2,562	0	2,384
Colorado-----	36,563	46,509	40,655	3,949	8,307	4,844
New Mexico-----	10,616	15,430	11,518	1,171	734	2,007
Arizona-----	5,864	8,562	8,411	4,629	4,414	7,208
Utah-----	8,929	9,521	9,366	3,834	9,523	4,392
Nevada-----	3,018	3,446	3,698	1,365	0	1,752
Mountain-----	124,223	163,625	139,301	19,014	22,978	25,801
Washington-----	10,941	14,301	11,334	1,269	247	472
Oregon-----	28,173	35,395	28,029	898	87	752
California-----	47,657	70,046	58,408	8,991	15,846	8,462
Pacific-----	86,771	119,742	97,771	11,158	16,180	9,686
United States 3/-----	1,114,694	1,499,587	1,361,198	83,722	102,238	89,576
Puerto Rico-----	10,880	9,594	10,710	4,323	905	5,709

1/ Includes all loans, except loans guaranteed by the Commodity Credit Corporation, whether or not discounted with Federal intermediate credit banks.

2/ Loans to and discounts for livestock loan companies and agricultural credit corporations.

3/ There were no loans in Alaska or Hawaii.

Farm Credit Administration.

Table 21.- Farmers Home Administration: Outstanding non-real-estate loans to individuals, by type of loan and by States, specified dates, 1959 and 1960

State and region	Operating 1/			Emergency 2/			Emergency crop and feed 3/		
	1959		Jan. 1, 1960	1959		Jan. 1, 1960	1959		Jan. 1, 1960
	Jan. 1	July 1		Jan. 1	July 1		Jan. 1	July 1	
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
Maine-----	6,105	6,611	6,736	2,190	2,673	2,902	26	23	18
New Hampshire-----	1,000	971	927	33	19	24	2	1	1
Vermont-----	987	940	945	22	21	16	1	1	1
Massachusetts-----	432	436	394	122	127	126	2	2	2
Rhode Island-----	67	63	47	2	1	1	1/2	1/2	0
Connecticut-----	231	327	342	60	43	41	2	2	1
New York-----	9,544	9,830	9,489	124	130	110	8	8	5
New Jersey-----	3,221	3,730	3,498	342	324	259	10	9	8
Pennsylvania-----	9,903	10,562	10,484	106	91	69	5	4	3
Delaware-----	273	282	231	15	18	11	7	7	6
Maryland-----	3,253	3,204	3,076	103	83	77	55	46	41
Northeast-----	35,016	36,956	36,169	3,119	3,530	3,638	118	103	86
Michigan-----	11,106	11,211	10,473	410	340	326	32	26	23
Wisconsin-----	9,730	10,154	9,852	35	26	25	67	52	37
Minnesota-----	10,125	11,009	10,436	202	148	153	70	59	48
Lake States-----	31,561	32,374	30,821	653	516	506	169	139	108
Ohio-----	5,607	5,803	5,387	19	19	16	13	12	12
Indiana-----	8,561	9,887	8,956	69	80	58	6	8	7
Illinois-----	11,912	13,557	12,270	90	148	75	10	8	7
Iowa-----	12,156	14,824	14,030	6	6	7	2	2	2
Missouri-----	10,321	13,166	10,336	1,044	2,935	705	59	51	44
Corn Belt-----	46,627	57,537	50,972	1,228	3,188	861	92	81	72
North Dakota-----	12,062	14,379	12,322	248	224	212	1,147	797	606
South Dakota-----	12,152	13,809	13,692	270	250	288	1,098	915	790
Nebraska-----	7,932	9,268	8,317	35	21	17	73	60	55
Kansas-----	10,452	9,858	9,566	5,760	4,236	2,717	247	211	185
Northern Plains-----	42,605	47,314	43,827	6,313	4,731	3,234	2,565	1,983	1,636
Virginia-----	3,690	4,437	3,648	229	412	194	48	40	28
West Virginia-----	4,118	4,363	4,262	66	102	81	4	3	2
North Carolina-----	8,818	12,390	9,543	541	520	385	20	15	12
Kentucky-----	5,781	6,694	6,188	86	62	48	8	5	4
Tennessee-----	5,111	6,604	5,680	252	585	199	10	8	7
Appalachian-----	27,518	35,088	29,541	1,174	1,681	907	90	71	53
South Carolina-----	3,971	5,931	4,518	503	409	816	73	63	57
Georgia-----	7,744	11,390	8,119	307	239	209	61	53	46
Florida-----	4,045	4,254	4,078	2,387	949	1,295	64	48	42
Alabama-----	5,446	8,143	5,430	162	131	93	16	14	8
Southeast-----	21,206	29,518	22,145	1,152	1,728	2,413	216	178	155
Mississippi-----	10,041	12,685	10,453	1,124	3,931	930	10	7	5
Arkansas-----	7,012	10,904	7,102	1,326	3,746	1,012	33	23	16
Louisiana-----	7,968	10,327	8,346	523	2,041	574	114	107	91
Delta States-----	25,021	33,916	25,903	3,033	9,718	2,516	157	137	112
Oklahoma-----	14,324	15,139	14,066	2,817	2,975	2,465	89	81	75
Texas-----	34,491	40,430	35,130	27,913	35,618	22,972	446	371	322
Southern Plains-----	48,815	55,569	49,196	30,730	38,593	25,437	535	456	397
Montana-----	6,118	7,175	5,872	621	564	437	703	635	574
Idaho-----	10,810	12,522	10,378	468	256	264	38	32	33
Wyoming-----	4,409	5,040	4,103	420	326	201	62	53	34
Colorado-----	8,395	9,766	7,803	3,460	2,980	2,137	267	203	187
New Mexico-----	4,910	5,716	4,301	2,189	2,212	1,633	152	130	110
Arizona-----	1,357	1,524	1,237	128	114	114	11	10	10
Utah-----	4,191	4,362	4,126	354	368	254	10	10	9
Nevada-----	453	513	457	277	263	248	2	1	1
Mountain-----	40,643	46,618	38,277	7,857	7,137	5,328	1,245	1,081	928
Washington-----	9,371	10,736	9,426	1,343	1,412	1,230	498	414	339
Oregon-----	4,486	5,421	4,648	379	324	262	79	68	61
California-----	4,893	4,927	4,538	883	802	685	88	66	54
Pacific-----	18,690	21,154	18,612	2,605	2,538	2,177	665	548	454
48 States-----	339,702	396,444	345,540	60,071	73,360	47,017	5,852	4,775	4,011
Alaska-----	250	272	264	1	6	6	19	18	17
Hawaii-----	854	818	722	7	1	8	4/	4/	0
United States-----	340,806	397,534	346,526	60,079	73,367	47,031	5,871	4,793	4,028
Other areas 5/-----	3,199	3,699	2,835	600	550	495	3	3	3

1/ Includes production and subsistence, rural-rehabilitation, construction, and wartime-adjustment loans, and such loans from State Corporate trust funds.

2/ Includes production emergency, economic emergency, special emergency, special livestock, fur, orchard, flood-damage, flood and windstorm restoration loans, and loans formerly made by the regional agricultural credit corporations.

3/ Includes seed, feed, crop-production, drought-relief, and orchard-rehabilitation loans. These are in liquidation.

4/ Less than \$500.

5/ Puerto Rico and Virgin Islands.

Farmers Home Administration.

Table 22.- Loans to farmers' cooperative organizations: Amounts held by selected lending agencies, United States, specified years, 1930-60 1/

Table 22.- Loans to farmers' cooperative organizations: Amounts held by selected lending agencies, United States, specified years, 1930-60 1/

Beginning of year or month	Agencies supervised by Farm Credit Administration			Rural Electrification Administration		Farmers Home Administra- tion 2/		Commodity Credit Corporation
	Federal intermediate credit banks	Banks for cooperatives	Agricultural Marketing Act revolving fund	Electrifica- tion loans	Telephone loans			
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	
1930-----	26,073	---	14,510	---	---	---	---	---
1940-----	1,835	76,252	20,547	169,122	---	6,721	26,845	
1941-----	1,490	74,741	16,461	232,086	---	9,978	27,931	
1942-----	2,152	150,038	16,914	304,407	---	20,114	14,369	
1943-----	2,000	222,744	12,551	328,235	---	28,490	10,325	
1944-----	2,000	254,838	7,351	331,318	---	28,912	3,655	
1945-----	700	214,278	3,067	345,688	---	25,150	1,552	
1946-----	2,042	157,680	2,693	391,137	---	17,233	737	
1947-----	4,151	212,564	2,232	509,604	---	12,218	645	
1948-----	4,000	274,943	2,603	709,428	---	10,229	177,317	
1949-----	4,709	304,684	1,315	963,814	---	8,847	354,542	
1950-----	2,400	301,887	1,365	1,252,648	---	8,574	224,535	
1951-----	3,233	344,978	1,309	1,483,953	---	8,336	128,893	
1952-----	4,000	423,952	1,451	1,669,592	1,128	8,161	203,333	
1953-----	2,000	418,504	905	1,820,005	10,105	8,058	316,368	
1954-----	500	372,110	0	1,955,186	23,313	8,579	142,963	
1955-----	2,200	361,615	---	2,037,704	47,706	9,703	143,783	
1956-----	3,000	370,683	---	2,103,961	74,477	10,657	857,953	
1957-----	---	457,108	---	2,170,414	104,387	8,819	805,086	
1958-----	---	454,452	---	2,256,018	133,641	10,010	683,552	
1959: January-----	---	509,829	---	2,342,831	158,608	9,996	756,960	
July-----	---	525,881	---	2,394,475	170,025	10,022	853,522	
1960: January-----	---	622,433	---	2,453,937	181,037	10,249	557,956	

1/ Includes data for all States and other areas where loans were made.

2/ Also includes loans to defense relocation corporations and water-facility associations and similar loans from State Corporation trust funds.

3/ Also includes loans and advances under Commodity Credit Corporation programs, except advances on wool in which farmers had no beneficial interest.

Table 23.- Commodity Credit Corporation: Loans made since organization, loans outstanding, and quantities of commodities pledged for loans, United States, Dec. 31, 1958 1/

Commodity program	Loans made 2/ 3/			Loans outstanding		Quantity of commodity pledged		
	1,000 dollars	1,000 dollars	Held by Commodity Credit Corporation 4/	Held by lending agencies 5/	Total	Unit	For loans made	For loans outstanding
		1,000 dollars		1,000 dollars	1,000 dollars		1,000 units	1,000 units
Barley:								
1940-57	538,389	---	---	---	---	Bu.	566,524	---
1958	64,125	---	---	---	---	Bu.	72,615	---
Total	602,514	51,616	---	20,261	71,877	Bu.	633,139	82,377
Beans, dry:								
1943-57	238,036	---	---	---	---	Cwt.	32,662	---
1958	17,776	---	---	---	---	Cwt.	2,775	---
Total	255,812	10,833	---	6,243	17,076	Cwt.	35,437	2,663
Corn:								
1933-57	4,743,026	---	---	---	---	Bu.	4,011,078	---
1958	123,792	---	---	---	---	Bu.	106,387	---
Total	4,866,818	268,592	---	45,362	313,954	Bu.	4,117,465	248,541
Cotton:								
1933-57	7,969,645	---	---	---	---	Bale	69,641	---
1958	884,873	---	---	---	---	do.	5,079	---
Total	8,854,518	622,978	---	248,624	871,602	do.	74,720	5,000
Flaxseed:								
1941-57	224,309	---	---	---	---	Bu.	67,845	---
1958	23,557	---	---	---	---	Bu.	8,544	---
Total	247,866	14,900	---	8,586	23,486	Bu.	76,389	8,520
Grain sorghum:								
1940-57	897,377	---	---	---	---	Cwt.	432,634	---
1958	185,760	---	---	---	---	Cwt.	99,276	---
Total	1,083,137	120,860	---	67,814	188,674	Cwt.	531,910	100,851
Naval stores:								
Rosin:								
1934-57	87,539	---	---	---	---	Lb.	2,086,440	---
1958	719	---	---	---	---	Lb.	9,013	---
Total	88,258	184	---	---	184	Lb.	2,095,453	2,252
Turpentine:								
1934-57	19,743	---	---	---	---	Gal.	49,754	---
1958	88	---	---	---	---	Gal.	174	---
Total	19,831	---	---	---	---	Gal.	49,928	---
Oats:								
1945-57	233,950	---	---	---	---	Bu.	345,293	---
1958	32,725	---	---	---	---	Bu.	58,042	---
Total	266,675	27,552	---	11,421	39,076	Bu.	403,335	70,152
Peanuts:								
1937-57	456,970	---	---	---	---	Ton	2,483	---
1958	25,938	---	---	---	---	do.	130	---
Total	482,908	24,834	---	836	25,650	do.	2,613	129

[illegible]

1/ Includes loans in Puerto Rico. There were no loans in Alaska and Hawaii.

2/ Includes loans made by Commodity Credit Corporation and CCC guaranteed loans made by lending agencies. Renewals and extensions of loans previously made are excluded.

2/ By crop year. Without regard to year in which loan was made.

4/ Includes loans to cooperatives totaling \$756,960,000.

4/ Includes loans to cooperatives totaling \$120,400,000.

5/ Includes certificates of interest totaling \$669,337,000 against pooled loans to farmers held by Commodity Credit Corporation.

2/ Includes certificates of interest totaling \$99,351,000 against pooled loans to farmers. Amount of loans to farmers differs from total in table 16 because of difference in reporting.

Commodity Credit Corporation.

Table 24.- Commodity Credit Corporation: Loans made since organization, loans outstanding, and quantities of commodities pledged for loans, United States, July 1, 1959 1/

Commodity program	Loans			Loans outstanding			Quantity of commodity pledged			
	made 2/	3/		Held by Commodity Credit Corporation 4/	Held by lending agencies 5/	Total	Unit	For loans made	For loans outstanding	
										1,000 units 1,000 units
Barley:										
1940-58-----	617,067	---	---	---	---	---	Bu.	649,664	---	
1959-----	2,158	---	---	---	---	---	Bu.	2,522	---	
Total-----	619,225	37,722	1,612	39,334	---	---	Bu.	652,186	44,235	
Beans, dry:										
1943-57-----	238,036	---	---	---	---	---	Cwt.	32,662	---	
1958-----	20,827	---	---	---	---	---	Cwt.	3,206	---	
Total-----	258,863	9	---	9	---	---	Cwt.	35,868	2	
Corn:										
1933-57-----	4,743,236	---	---	---	---	---	Bu.	4,011,269	---	
1958-----	406,074	---	---	---	---	---	Bu.	343,922	---	
Total-----	5,149,310	381,817	131,636	513,453	---	---	Bu.	4,355,191	411,719	
Cotton:										
1933-57-----	7,969,632	---	---	---	---	---	Bale	69,641	---	
1958-----	1,172,431	---	---	---	---	---	do.	6,832	---	
Total-----	9,142,063	998,157	61,751	1,059,908	---	---	do.	76,473	6,117	
Flaxseed:										
1941-57-----	224,309	---	---	---	---	---	Bu.	67,845	---	
1958-----	32,865	---	---	---	---	---	Bu.	11,956	---	
Total-----	257,174	5,310	---	5,310	---	---	Bu.	79,801	1,928	
Grain sorghum:										
1940-57-----	897,374	---	---	---	---	---	Cwt.	432,633	---	
1958-----	280,056	---	---	---	---	---	Cwt.	148,161	---	
Total-----	1,177,430	14,206	---	14,206	---	---	Cwt.	580,794	7,761	
Naval stores:										
Rosin:										
1934-58-----	88,256	---	---	---	---	---	Lb.	2,095,453	---	
1959-----	4	---	---	---	---	---	Lb.	24	---	
Total-----	88,260	4	---	4	---	---	Lb.	2,095,477	24	
Turpentine:										
1934-58-----	19,831	---	---	---	---	---	Gal.	49,928	---	
1959-----	9	---	---	---	---	---	Gal.	19	---	
Total-----	19,840	10	---	10	---	---	Gal.	49,947	19	
Oats:										
1945-58-----	274,049	---	---	---	---	---	Bu.	417,155	---	
1959-----	257	---	---	---	---	---	Bu.	466	---	
Total-----	274,306	23,819	183	24,002	---	---	Bu.	417,621	45,157	
Peanuts:										
1937-57-----	456,970	---	---	---	---	---	Ton	2,488	---	
1958-----	26,838	---	---	---	---	---	do.	132	---	
Total-----	483,808	72	---	72	---	---	do.	2,620	6	

	274,306	23,819	183	24,002	Bu.	486	45,157
Peanuts:							
1937-57	456,970	---	---	---	Ton	2,488	---
1958	26,838	---	---	---	do.	132	---
Total	483,808	72	---	72	do.	2,620	67
Rice:							
1948-57	315,606	---	---	---	Cwt.	61,649	---
1958	41,087	---	---	---	Cwt.	8,306	---
Total	356,693	352	---	352	Cwt.	69,955	73
Rye:							
1939-58	55,730	---	---	---	Bu.	56,543	---
1959	1	---	---	---	Bu.	1	---
Total	55,731	2,650	---	2,650	Bu.	56,544	2,582
Soybeans:							
1941-57	641,395	---	---	---	Bu.	296,645	---
1958	258,201	---	---	---	Bu.	126,509	---
Total	899,596	44,599	---	44,599	Bu.	423,154	21,635
Tobacco:							
1931-57	1,659,013	---	---	---	Lb.	3,303,256	---
1958	94,818	---	---	---	Lb.	147,567	---
Total	1,753,831	580,181	---	580,181	Lb.	3,450,823	892,475
Wheat:							
1938-58	9,096,136	---	---	---	Bu.	5,300,771	---
1959	44,720	---	---	---	Bu.	25,974	---
Total	9,140,856	124,741	33,444	158,185	Bu.	5,326,745	88,028
Butter, 1938-40	32,156	---	---	---	Lb.	127,166	---
Flax fiber, 1946	1,237	---	---	---	Lb.	2,579	---
Peas, dry, 1943-49	2,704	---	---	---	Cwt.	846	---
Potatoes, white, 1943-49	165,570	---	---	---	Cwt.	156,174	---
Seeds, misc., 1943-53	62,526	---	---	---	Lb.	452,943	---
Sweetpotatoes, 1943-46	150	---	---	---	Cwt.	77	---
Other	333,776	37,105	922	38,027	---	---	---
Grand total	30,275,105	2,250,754	229,548	2,480,302	---	---	---

1/ Includes loans in Puerto Rico. There were no loans in Alaska and Hawaii.

2/ Includes loans made by Commodity Credit Corporation and CCC guaranteed loans made by lending agencies. Renewals and extensions of loans previously made are excluded.

3/ By crop year. Without regard to year in which loan was made.

4/ Includes loans to cooperatives totaling \$853,522,000 against pooled loans to farmers held by Commodity Credit Corporation.

5/ Includes certificates of interest totaling \$211,722,000 against pooled loans to farmers held by CCC. Amount of loans to farmers differs from total in table 16 because of difference in reporting.

6/ Less than 500.

Commodity Credit Corporation.

Table 25.- Commodity Credit Corporation: Loans made since organization, loans outstanding, and quantities of commodities pledged for loans, United States, Dec. 31, 1959 1/

Commodity program	Loans made 2/ 3/	Loans outstanding 4/ 5/	Unit	Quantity of commodity pledged		
				For loans made	For loans outstanding	
	1,000 dollars	1,000 dollars		1,000 units	1,000 units	
Barley:						
1940-58-----	617,940	---	Bu.	650,658	---	---
1959-----	21,560	---	Bu.	29,775	---	---
Total-----	639,500	48,583	Bu.	680,433	60,032	60,032
Beans, dry:						
1943-58-----	258,737	---	Cwt.	35,846	---	---
1959-----	10,811	---	Cwt.	1,820	---	---
Total-----	269,548	10,209	Cwt.	37,666	1,713	1,713
Corn:						
1933-58-----	5,153,939	---	Bu.	4,358,501	---	---
1959-----	132,708	---	Bu.	120,675	---	---
Total-----	5,286,647	309,420	Bu.	4,479,176	265,280	265,280
Cotton:						
1933-58-----	9,156,032	---	Bale	76,473	---	---
1959-----	37,446	---	do.	243	---	---
Total-----	9,193,478	27,248	do.	76,716	172	172
Flaxseed:						
1941-58-----	257,257	---	Bu.	79,832	---	---
1959-----	669	---	Bu.	281	---	---
Total-----	257,926	3,565	Bu.	80,113	1,323	1,323
Grain sorghum:						
1940-58-----	1,177,440	---	Cwt.	580,668	---	---
1959-----	66,668	---	Cwt.	42,306	---	---
Total-----	1,244,108	79,681	Cwt.	622,974	49,411	49,411
Naval stores:						
Rosin:						
1934-58-----	88,256	---	Lb.	2,095,453	---	---
1959-----	191	---	Lb.	2,309	---	---
Total-----	88,447	184	Lb.	2,097,762	2,211	2,211
Turpentine:						
1934-58-----	19,831	---	Gal.	49,924	---	---
1959-----	96	---	Gal.	189	---	---
Total-----	19,927	96	Gal.	50,113	189	189
Oats:						
1945-58-----	274,453	---	Bu.	417,914	---	---
1959-----	3,556	---	Bu.	7,536	---	---
Total-----	278,009	23,327	Bu.	425,450	14,682	14,682
Peanuts:						
1943-58-----	483,808	---	Ton	2,620	---	---
1959-----	---	---	do.	158	---	---
Total-----	483,808	---	Ton	2,620	158	158

	278,009	23,327	Bu.	7,536	14,582
			Bu.	425,450	
Peanuts:					
1937-58	483,808	---	Ton	2,620	---
1959	27,702	---	do.	158	---
Total	511,510	20,469	do.	2,778	120
Rice:					
1948-58	356,693	---	Cwt.	69,955	---
1959	33,515	---	Cwt.	6,882	---
Total	390,208	31,767	Cwt.	76,837	6,503
Rye:					
1939-58	55,785	---	Bu.	56,595	---
1959	681	---	Bu.	778	---
Total	56,466	2,783	Bu.	57,373	2,802
Soybeans:					
1941-58	900,182	---	Bu.	423,432	---
1959	59,169	---	Bu.	32,644	---
Total	959,351	86,412	Bu.	456,076	45,957
Tobacco:					
1931-58	1,762,661	---	Lb.	3,451,123	---
1959	36,038	---	Lb.	60,534	---
Total	1,798,699	513,128	Lb.	3,511,657	793,634
Wheat:					
1938-58	9,096,613	---	Bu.	5,301,071	---
1959	483,017	---	Bu.	273,528	---
Total	9,579,630	543,639	Bu.	5,574,599	305,289
Butter, 1938-40	32,156	---	Lb.	127,166	---
Flax fiber, 1946	1,237	---	Lb.	2,579	---
Peas, dry, 1943-49	2,704	---	Cwt.	846	---
Potatoes, white, 1943-49	165,570	---	Cwt.	156,174	---
Seeds, misc., 1943-53	62,526	---	Lb.	452,943	---
Sweetpotatoes, 1943-46	150	---	Cwt.	77	---
Other	353,665	44,486	---	---	---
Grand total	31,191,462	1,744,997	---	---	---

1/ Includes loans in Alaska and Puerto Rico. There were no loans in Hawaii.

2/ Includes loans made by Commodity Credit Corporation and CCC guaranteed loans made by lending agencies. Renewals and extensions of loans previously made excluded.

3/ By crop year. Without regard to year in which loan was made.

4/ Includes loans of \$557,956,000 to cooperatives.

5/ Information on loans and certificates held by lending agencies is no longer available by commodities because of change in method of reporting.

Commodity Credit Corporation

Table 26.- Commodity Credit Corporation: Loans made on selected commodities, by States, year ended Dec. 31, 1958 1/

State and region	Corn	Cotton	Peanuts	Tobacco	Wheat	Other 2/	Total
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
Maine-----	0	0	0	0	0	168	168
New Hampshire-----	0	0	0	0	0	0	0
Vermont-----	0	0	0	0	0	0	0
Massachusetts-----	0	0	0	0	0	0	0
Rhode Island-----	0	0	0	0	0	0	0
Connecticut-----	0	0	0	0	0	0	0
New York-----	519	0	0	1,095	0	0	1,095
New Jersey-----	39	0	0	0	1,834	95	2,448
Pennsylvania-----	79	0	0	0	280	8	327
Delaware-----	52	0	0	0	822	23	924
Maryland-----	94	0	0	0	31	7	90
Northeast-----	783	0	0	2,965	667	10	3,736
				4,060	3,634	311	8,788
Michigan-----	3,486	0	0	0	5,716	10,086	19,288
Wisconsin-----	1,348	0	0	156	52	299	1,855
Minnesota-----	46,131	0	0	0	12,703	65,781	124,615
Lake States-----	50,965	0	0	156	18,471	76,166	145,758
Ohio-----	7,323	0	0	14	5,894	7,352	20,583
Indiana-----	24,619	0	0	0	2,695	9,552	36,866
Illinois-----	100,989	2	0	0	10,360	45,892	157,243
Iowa-----	155,816	0	0	0	3,375	96,473	255,664
Missouri-----	14,488	21,045	1	0	15,959	28,220	79,713
Corn Belt-----	303,235	21,047	1	14	38,283	187,489	550,069
North Dakota-----	2,747	0	0	0	90,254	55,344	148,345
South Dakota-----	21,833	0	0	0	48,829	21,737	92,399
Nebraska-----	98,258	0	0	0	100,892	64,311	263,461
Kansas-----	7,597	0	0	0	288,524	118,969	415,090
Northern Plains-----	130,435	0	0	0	528,459	260,361	919,255
Virginia-----	24	584	11,013	1,051	801	210	13,683
West Virginia-----	21	0	0	0	0	31	52
North Carolina-----	333	25,221	18	90,316	69	330	116,297
Kentucky-----	2,562	405	0	10,113	836	944	14,860
Tennessee-----	146	40,781	0	6,441	193	1,859	49,420
Appalachian-----	3,086	66,991	11,031	107,921	1,899	3,374	194,302
South Carolina-----	430	19,671	50	0	56	3,495	23,702
Georgia-----	794	50,641	18,164	0	127	1,613	71,339
Florida-----	18	406	25	0	0	514	963
Alabama-----	355	47,782	10	0	1	165	48,313
Southeast-----	1,597	118,500	18,249	0	184	5,787	144,317
Mississippi-----	235	93,060	0	0	2	9,317	102,614
Arkansas-----	93	64,303	0	0	256	37,138	101,790
Louisiana-----	0	16,588	0	0	0	6,171	22,759
Delta States-----	328	173,951	0	0	258	52,626	227,163
Oklahoma-----	13	37,058	1	0	97,454	12,163	146,689
Texas-----	594	406,595	3,892	0	75,660	209,394	696,135
Southern Plains-----	607	443,653	3,893	0	173,114	221,557	842,824
Montana-----	2	0	0	0	49,596	11,895	61,493
Idaho-----	433	0	0	0	20,049	5,085	25,567
Wyoming-----	205	0	0	0	3,025	3,144	6,374
Colorado-----	3,224	0	0	0	37,741	10,884	51,849
New Mexico-----	87	16,403	57	0	4,483	2,716	23,746
Arizona-----	68	65,875	0	0	133	3,406	69,482
Utah-----	4	0	0	0	649	78	731
Nevada-----	0	173	0	0	9	1	183
Mountain-----	4,023	82,451	57	0	115,685	37,209	239,425
Washington-----	871	0	0	0	53,110	13,129	67,110
Oregon-----	283	0	0	0	19,692	5,296	25,271
California-----	1,715	24,947	0	0	3,941	19,875	120,478
Pacific-----	2,869	24,947	0	0	76,743	38,300	212,859
Unallocated-----	0	110,267	0	0	0	0	110,267
United States 3/-----	497,928	1,111,807	33,231	112,151	956,770	883,180	3,595,067
Puerto Rico-----	0	23	0	689	0	0	712

1/ Includes loans made by Commodity Credit Corporation and CCC guaranteed loans made by lending agencies.
 2/ Consists mainly of grain sorghums, soybeans, barley, rice, and oats.
 3/ There were no loans in Alaska and Hawaii.

Commodity Credit Corporation.

Table 27.- Commodity Credit Corporation: Loans made on selected commodities, by States, year ended June 30, 1959 1/

State and region :	Corn :	Cotton :	Peanuts :	Tobacco :	Wheat :	Other 2/ :	Total :
1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
Maine-----	0	0	0	0	0	94	94
New Hampshire-----	0	0	0	0	0	0	0
Vermont-----	0	0	0	0	0	0	0
Massachusetts-----	0	0	0	0	0	0	0
Rhode Island-----	0	0	0	0	0	0	0
Connecticut-----	0	0	0	337	0	0	337
New York-----	159	0	0	0	2,019	178	2,356
New Jersey-----	37	0	0	0	258	21	316
Pennsylvania-----	196	0	0	0	861	27	1,084
Delaware-----	108	0	0	0	32	6	146
Maryland-----	140	0	0	1,697	672	7	2,516
Northeast-----	640	0	0	2,034	3,842	333	6,849
Michigan-----	3,077	0	0	0	5,984	7,341	16,402
Wisconsin-----	494	0	0	58	51	379	982
Minnesota-----	40,980	0	0	0	13,464	66,703	121,147
Lake States-----	44,551	0	0	58	19,499	74,623	138,731
Ohio-----	5,664	0	0	0	5,999	7,523	19,186
Indiana-----	19,032	0	0	0	2,871	9,183	31,086
Illinois-----	78,974	4	0	0	10,955	51,786	141,719
Iowa-----	126,080	0	0	0	3,553	89,384	219,017
Missouri-----	13,119	23,044	0	0	16,449	28,961	81,573
Corn Belt-----	282,869	23,048	0	0	39,827	186,837	492,581
North Dakota-----	1,230	0	0	0	90,878	65,542	157,650
South Dakota-----	10,078	0	0	0	56,778	23,267	90,123
Nebraska-----	94,628	0	0	0	106,170	64,288	265,086
Kansas-----	9,310	0	0	0	349,174	80,200	438,684
Northern Plains-----	115,246	0	0	0	603,000	233,297	951,543
Virginia-----	29	621	4,237	1,091	822	258	7,058
West Virginia-----	8	0	0	0	0	0	8
North Carolina-----	336	28,706	5	90,756	154	266	120,223
Kentucky-----	2,377	561	0	8,381	1,085	952	13,356
Tennessee-----	179	43,611	0	3,234	194	2,081	49,299
Appalachian-----	2,929	73,499	4,242	103,462	2,255	3,557	189,944
South Carolina-----	356	21,717	50	0	280	3,293	25,696
Georgia-----	766	52,370	18,229	0	361	1,377	73,103
Florida-----	11	408	27	0	0	2,062	2,508
Alabama-----	389	50,490	10	0	47	182	51,118
Southeast-----	1,522	124,985	18,316	0	688	6,914	152,425
Mississippi-----	198	102,337	0	0	41	11,575	114,151
Arkansas-----	34	69,438	0	0	575	38,089	108,136
Louisiana-----	0	19,112	0	0	0	5,003	24,115
Delta States-----	232	190,887	0	0	616	24,667	216,402
Oklahoma-----	13	36,583	1	0	102,281	5,321	144,199
Texas-----	69	452,850	4,244	0	75,289	147,612	680,064
Southern Plains-----	82	489,433	4,245	0	177,570	152,933	824,263
Montana-----	2	0	0	0	51,192	8,058	59,252
Idaho-----	118	0	0	0	19,576	4,062	23,756
Wyoming-----	60	0	0	0	3,270	3,026	6,356
Colorado-----	755	0	0	0	40,589	5,949	47,293
New Mexico-----	32	32,629	35	0	4,324	2,001	39,021
Arizona-----	14	82,807	0	0	241	3,377	86,439
Utah-----	2	0	0	0	631	60	693
Nevada-----	0	300	0	0	9	1	310
Mountain-----	983	115,736	35	0	119,832	26,534	263,120
Washington-----	558	0	0	0	49,808	9,653	60,019
Oregon-----	153	0	0	0	19,270	3,960	23,383
California-----	531	149,302	0	0	4,514	14,220	168,567
Pacific-----	1,242	149,302	0	0	73,592	27,833	251,969
Unallocated-----	0	5,981	0	0	0	0	5,981
United States 3/-----	410,296	1,172,871	26,838	105,554	1,040,721	767,528	3,523,808
Puerto Rico-----	0	12	0	694	0	0	706

1/ Includes loans made by Commodity Credit Corporation and CCC guaranteed loans made by lending agencies.

2/ Consists mainly of grain sorghums, soybeans, barley, and rice.

3/ There were no loans in Alaska and Hawaii.

Commodity Credit Corporation.

Table 28.- Commodity Credit Corporation: Loans made on selected commodities, by States, year ended Dec. 31, 1959 1/

State and region	Corn	Cotton	Peanuts	Tobacco	Wheat	Other 2/	Total
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
Maine-----	0	0	0	0	0	153	153
New Hampshire-----	0	0	0	0	0	0	0
Vermont-----	0	0	0	0	0	0	0
Massachusetts-----	0	0	0	0	0	0	0
Rhode Island-----	0	0	0	0	0	0	0
Connecticut-----	0	0	0	657	0	0	657
New York-----	262	0	0	0	1,713	132	2,107
New Jersey-----	126	0	0	0	254	13	393
Pennsylvania-----	237	0	0	0	768	17	1,022
Delaware-----	143	0	0	0	12	0	155
Maryland-----	306	0	0	791	316	3	1,416
Northeast-----	1,074	0	0	1,448	3,063	318	5,903
Michigan-----	4,598	0	0	0	2,964	7,633	15,195
Wisconsin-----	1,039	0	0	59	29	182	1,309
Minnesota-----	38,055	0	0	0	6,262	26,838	71,155
Lake States-----	43,692	0	0	59	9,255	34,653	87,659
Ohio-----	11,601	0	0	0	2,847	3,142	17,590
Indiana-----	22,105	0	0	0	1,134	4,824	28,063
Illinois-----	78,534	2	0	0	5,394	28,218	112,148
Iowa-----	119,197	0	0	0	1,417	46,586	167,200
Missouri-----	19,641	4,718	0	0	16,223	14,458	55,040
Corn Belt-----	251,078	4,720	0	0	27,015	97,228	380,041
North Dakota-----	1,341	0	0	0	43,314	26,224	70,879
South Dakota-----	8,070	0	0	0	21,893	7,786	37,749
Nebraska-----	93,660	0	0	0	68,585	42,357	204,602
Kansas-----	13,110	0	0	0	212,345	48,879	274,334
Northern Plains-----	116,181	0	0	0	346,137	125,246	587,564
Virginia-----	92	67	605	1,071	1,074	75	2,991
West Virginia-----	20	0	0	0	1	0	21
North Carolina-----	559	5,659	0	38,979	362	121	45,680
Kentucky-----	3,429	195	0	9,827	1,411	357	15,219
Tennessee-----	290	5,724	0	3,429	482	624	10,545
Appalachian-----	4,397	11,645	605	53,306	3,330	1,177	74,460
South Carolina-----	290	3,593	29	0	446	1,005	5,353
Georgia-----	464	4,263	21,657	0	530	464	27,378
Florida-----	9	5	17	0	0	2,237	2,268
Alabama-----	247	6,011	3	0	110	114	6,485
Southeast-----	1,010	13,662	21,706	0	1,086	3,820	41,484

Mississippi-----	254	31,769	0	0	0	60	9,489	41,572
Arkansas-----	54	18,926	0	0	0	621	24,145	43,746
Louisiana-----	0	6,675	0	0	0	0	4,541	11,216
Delta States-----	308	57,370	0	0	0	681	38,175	96,534
Oklahoma-----	53	10,507	0	0	0	40,055	1,292	51,907
Texas-----	127	191,109	6,278	0	0	27,721	78,727	303,962
Southern Plains-----	180	201,616	6,278	0	0	67,776	80,019	355,869
Montana-----	2	0	0	0	0	40,031	4,484	44,517
Idaho-----	29	0	0	0	0	21,822	1,251	23,102
Wyoming-----	26	0	0	0	0	2,075	1,207	3,308
Colorado-----	728	0	0	0	0	25,763	2,169	28,660
New Mexico-----	1	25,598	13	0	0	2,626	1,342	29,580
Arizona-----	14	40,986	0	0	0	193	1,601	42,994
Utah-----	1	0	0	0	0	627	56	684
Nevada-----	0	246	0	0	0	0	3	249
Mountain-----	801	66,830	13	0	0	93,137	12,313	173,094
Washington-----	388	0	0	0	0	58,941	3,355	62,684
Oregon-----	124	0	0	0	0	21,885	868	22,877
California-----	595	89,322	0	0	0	3,146	7,769	100,902
Pacific-----	1,107	89,322	0	0	0	83,272	11,922	186,463
Unallocated-----	0	-106,480	0	0	0	0	0	-106,480
48 States-----	419,828	338,955	28,602	54,813	0	635,452	404,941	1,882,591
Alaska-----	0	0	0	0	0	0	1	1
Hawaii-----	0	0	0	0	0	0	0	0
United States-----	419,828	338,955	28,602	54,813	0	635,452	404,942	1,882,592
Puerto Rico-----	0	5	0	693	0	0	0	698

1/ Includes loans made directly by Commodity Credit Corporation and CCC guaranteed loans made by lending agencies.

2/ Consists mainly of grain sorghums, soybeans, rice, barley, and dry edible beans.

Commodity Credit Corporation.

Table 29.- Taxes: Amounts levied on farm property and automotive taxes paid by farmers, United States, specified years, 1925-59

Year	Property taxes levied		Automotive taxes paid		
	Farm real estate	Farm personal property	Licenses and permits 1/	Motor fuel taxes	
				State 2/	Federal
	Million dollars	Million dollars	Million dollars	Million dollars	Million dollars
1925-----	516.8	71.7	49.8	21.9	---
1930-----	566.8	81.3	64.0	63.1	---
1935-----	392.3	42.0	55.2	65.7	20.6
1940-----	401.1	50.2	68.3	79.3	35.8
1941-----	406.7	56.1	73.1	81.8	45.4
1942-----	399.5	66.6	109.7	76.7	46.0
1943-----	400.2	76.8	100.0	72.8	46.6
1944-----	418.9	80.4	100.4	74.5	49.1
1945-----	464.8	91.5	103.0	89.9	55.5
1946-----	518.7	98.5	88.3	107.8	64.6
1947-----	605.4	127.7	97.1	118.8	70.7
1948-----	656.0	150.1	108.1	127.3	75.3
1949-----	706.2	166.8	115.1	135.7	79.1
1950-----	740.6	178.5	119.9	139.1	80.2
1951-----	772.8	214.1	129.6	151.4	88.1
1952-----	804.5	233.5	135.5	157.6	116.0
1953-----	838.9	223.5	144.1	167.8	120.2
1954-----	869.7	216.1	149.3	177.2	124.5
1955-----	928.4	220.4	156.5	3/ 192.2	3/ 128.3
1956-----	977.3	225.7	161.9	194.9	4/ 104.0
1957-----	1,043.5	233.0	167.4	3/ 197.5	4/ 118.2
1958-----	1,103.2	239.8	170.7	199.1	123.8
1959-----	1,191.4	5/ 249.4	5/ 172.0	5/ 232.1	5/ 140.0

1/ Data for 48 States only. Includes Federal use taxes, 1942-45.

2/ 1924-44, taxes on motor fuel used in automobiles and trucks only; thereafter, also includes taxes on gasoline used in farm tractors.

3/ Revised.

4/ Federal tax rate on gasoline increased from 2 to 3 cents per gallon by the Highway Revenue Act of 1956, effective July 1, 1956. Federal tax refund at the rate of 2 cents a gallon from Jan. 1 to July 1, 1956; thereafter, at the rate of 3 cents a gallon on gasoline used for farming purposes.

5/ Preliminary.

Table 30.- Taxes levied on farm real estate: Amount per acre, by States, specified years, 1940-59 ^{1/}

State and region	1940	1945	1950	1957	1958	1959
	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
Maine-----	0.84	1.00	1.27	1.55	1.59	1.65
New Hampshire-----	.88	.92	1.41	1.95	2.09	2.26
Vermont-----	.54	.60	.87	1.22	1.30	1.37
Massachusetts-----	2.70	2.69	3.44	5.11	5.52	5.93
Rhode Island-----	1.70	1.90	2.40	4.15	4.56	5.04
Connecticut-----	1.86	2.21	3.30	5.32	5.87	6.51
New York-----	1.10	1.10	1.66	2.42	2.59	2.77
New Jersey-----	2.31	2.51	3.89	7.79	8.31	9.15
Pennsylvania-----	.98	1.05	1.38	1.87	2.01	2.16
Delaware-----	.33	.44	.58	.93	1.04	1.07
Maryland-----	.81	.84	1.15	1.53	1.60	1.77
Northeast-----	1.09	1.15	1.60	2.34	2.51	2.70
Michigan-----	.46	.52	.77	1.54	1.66	1.75
Wisconsin-----	.78	.96	1.57	2.11	2.18	2.32
Minnesota-----	.66	.85	1.33	1.88	2.00	2.18
Lake States-----	.65	.80	1.27	1.87	1.98	2.13
Ohio-----	.69	.74	1.09	1.82	1.92	2.08
Indiana-----	.76	.81	1.35	1.96	2.09	2.28
Illinois-----	.98	1.10	2.08	3.51	3.79	3.93
Iowa-----	1.00	1.21	1.92	2.51	2.65	2.76
Missouri-----	.32	.34	.51	.78	.83	.88
Corn Belt-----	.74	.84	1.40	2.12	2.26	2.39
North Dakota-----	.22	.25	.43	.50	.50	.52
South Dakota-----	.28	.32	.47	.67	.66	.74
Nebraska-----	.30	.38	.66	1.05	1.08	1.14
Kansas-----	.36	.41	.72	1.02	1.07	1.20
Northern Plains-----	.30	.35	.58	.83	.85	.93
Virginia-----	.27	.29	.46	.72	.74	.75
West Virginia-----	.16	.17	.23	.29	.31	.37
North Carolina-----	.37	.40	.50	.67	.71	.79
Kentucky-----	.32	.38	.63	.75	.77	.80
Tennessee-----	.38	.41	.47	.55	.56	.61
Appalachian-----	.32	.35	.49	.63	.66	.70
South Carolina-----	.30	.26	.36	.45	.48	.51
Georgia-----	.14	.19	.32	.36	.36	.37
Florida-----	.32	.25	.51	.76	.82	.96
Alabama-----	.20	.23	.26	.29	.30	.30
Southeast-----	.21	.22	.35	.45	.47	.51
Mississippi-----	.34	.37	.38	.44	.44	.47
Arkansas-----	.28	.29	.32	.44	.52	.62
Louisiana-----	.31	.33	.39	.52	.55	.60
Delta States-----	.31	.33	.36	.46	.49	.55
Oklahoma-----	.24	.25	.36	.43	.45	.48
Texas-----	.14	.15	.26	.34	.38	.42
Southern Plains-----	.16	.17	.28	.36	.39	.44
Montana-----	.11	.13	.21	.28	.29	.32
Idaho-----	.45	.55	.85	1.11	1.18	1.31
Wyoming-----	.06	.07	.13	.16	.16	.17
Colorado-----	.20	.23	.35	.54	.55	.57
New Mexico-----	.04	.05	.09	.10	.10	.10
Arizona-----	.13	.12	.36	.46	.52	.54
Utah-----	.30	.33	.48	.62	.60	.67
Nevada-----	.15	.14	.17	.16	.16	.18
Mountain-----	.14	.16	.27	.36	.37	.40
Washington-----	.32	.40	.61	.90	.95	1.00
Oregon-----	.33	.32	.76	.97	.99	1.06
California-----	.83	1.00	1.86	2.71	2.91	3.30
Pacific-----	.56	.67	1.27	1.83	1.94	2.17
48 States ^{3/} -----	.39	.44	.69	.97	1.03	1.11

^{1/} Year of levy but not necessarily year of payment.^{2/} Preliminary.^{3/} Data not available for Alaska or Hawaii.

Table 31.- Taxes levied on farm real estate: Index numbers of amount per acre, by States, specified years, 1940-59 1/

State and region	(1909-13 = 100)					
	1940	1945	1950	1957	1958	1959
Maine-----						
New Hampshire-----	297	355	450			
Vermont-----	279	292	447	547	561	584
Massachusetts-----	259	290	419	618	663	718
Rhode Island-----	334	334	426	593	629	662
Connecticut-----	374	417	526	633	684	734
New York-----	384	457	683	910	1,003	1,108
New Jersey-----	265	266	403	1,101	1,214	1,347
Pennsylvania-----	321	348	540	587	627	2/ 671
Delaware-----	202	215	282	1,084	1,155	1,273
Maryland-----	133	176	234	383	412	443
Northeast-----	215	223	306	372	419	432
	255	268	375	404	425	470
Michigan-----				548	586	632
Wisconsin-----	106	121	177			
Minnesota-----	229	281	460	355	385	405
Lake States-----	285	367	571	618	640	681
	202	250	395	608	859	938
Ohio-----				562	615	661
Indiana-----	147	158	234			
Illinois-----	146	156	259	391	412	446
Iowa-----	246	275	523	376	400	437
Missouri-----	246	299	475	881	952	987
Corn Belt-----	231	245	371	622	656	683
	203	229	382	568	603	646
				579	617	650
North Dakota-----	157	174	301			
South Dakota-----	221	253	370	351	352	370
Nebraska-----	190	236	410	526	523	583
Kansas-----	194	220	384	655	675	714
Northern Plains-----	188	219	366	544	569	639
				524	537	586
Virginia-----	245	262	418			
West Virginia-----	141	146	203	652	669	680
North Carolina-----	464	510	629	253	264	317
Kentucky-----	212	251	421	843	895	997
Tennessee-----	276	298	338	500	513	533
Appalachian-----	267	295	412	399	405	442
				533	551	590
South Carolina-----	234	204	280			
Georgia-----	129	172	291	347	369	391
Florida-----	293	235	468	328	326	338
Alabama-----	231	255	288	702	764	888
Southeast-----	192	209	326	329	335	338
				421	440	479
Mississippi-----	249	267	277			
Arkansas-----	192	198	217	321	323	340
Louisiana-----	210	219	260	302	356	426
Delta States-----	218	230	250	319	365	402
					344	386
Oklahoma-----	127	131	193			
Texas-----	241	270	457	230	239	254
Southern Plains-----	190	207	337	597	656	742
				430	467	521
Montana-----	174	202	327			
Idaho-----	193	233	362	428	456	489
Wyoming-----	175	210	405	471	503	556
Colorado-----	179	211	318	488	490	521
New Mexico-----	208	249	403	489	502	519
Arizona-----	207	183	575	450	451	482
Utah-----	201	217	315	726	833	861
Nevada-----	230	215	264	409	398	444
Mountain-----	170	201	331	260	261	288
				438	459	491
Washington-----	113	141	218			
Oregon-----	224	218	519	319	338	355
California-----	233	282	524	660	674	725
Pacific-----	195	233	438	765	819	930
				631	670	789
48 States 3/-----	187	213	335	470	496	536

1/ Year of levy but not necessarily year of payment.

2/ Preliminary.

3/ Data not available for Alaska or Hawaii.

Table 32.- Taxes levied on farm real estate: Amount per \$100 of full value, by States, specified years 1940-59 1/

State and region	1940	1945	1950	1957	1958	1959
	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
Maine-----	2.87	2.09	2.28	2.32	2.24	2.22
New Hampshire-----	2.41	1.55	1.82	1.96	1.95	1.98
Vermont-----	1.76	1.33	1.46	1.76	1.74	1.72
Massachusetts-----	2.41	1.65	1.65	1.91	1.90	1.91
Rhode Island-----	1.38	1.02	.89	.99	.99	1.03
Connecticut-----	1.30	1.08	1.23	1.46	1.49	1.58
New York-----	1.99	1.49	1.71	1.90	1.90	2.00
New Jersey-----	1.70	1.12	1.23	1.49	1.46	1.55
Pennsylvania-----	1.65	1.19	1.12	1.09	1.11	1.13
Delaware-----	.51	.45	.47	.46	.46	.48
Maryland-----	1.20	.81	.83	.69	.68	.73
Northeast-----	1.79	1.30	1.36	1.42	1.42	1.47
Michigan-----	.90	.61	.69	.95	.95	.99
Wisconsin-----	1.54	1.30	1.58	1.76	1.71	1.79
Minnesota-----	1.49	1.31	1.34	1.36	1.37	1.48
Lake States-----	1.35	1.11	1.25	1.36	1.35	1.43
Ohio-----	1.01	.64	.67	.78	.79	.85
Indiana-----	1.18	.70	.83	.84	.85	.91
Illinois-----	1.18	.82	1.02	1.28	1.29	1.34
Iowa-----	1.26	.97	1.02	1.12	1.11	1.13
Missouri-----	.98	.63	.68	.79	.77	.81
Corn Belt-----	1.15	.79	.90	1.03	1.03	1.07
North Dakota-----	1.70	1.12	1.31	1.10	1.01	1.04
South Dakota-----	1.98	1.28	1.17	1.35	1.22	1.35
Nebraska-----	1.35	.89	.95	1.30	1.23	1.29
Kansas-----	1.23	.86	.97	1.10	1.09	1.19
Northern Plains-----	1.44	.97	1.04	1.20	1.14	1.22
Virginia-----	.65	.41	.50	.56	.53	.53
West Virginia-----	.50	.34	.36	.35	.34	.40
North Carolina-----	.95	.53	.46	.45	.45	.49
Kentucky-----	.84	.56	.68	.68	.64	.63
Tennessee-----	1.03	.62	.54	.52	.48	.50
Appalachian-----	.83	.52	.53	.53	.51	.53
South Carolina-----	.94	.45	.47	.44	.43	.43
Georgia-----	.66	.54	.67	.48	.43	.42
Florida-----	.82	.36	.74	.46	.44	.49
Alabama-----	.93	.60	.47	.41	.38	.37
Southeast-----	.82	.48	.59	.45	.42	.44
Mississippi-----	1.32	.82	.59	.48	.44	.45
Arkansas-----	1.07	.65	.45	.47	.52	.60
Louisiana-----	.86	.54	.44	.37	.35	.37
Delta States-----	1.10	.69	.50	.44	.44	.47
Oklahoma-----	.98	.62	.60	.58	.56	.56
Texas-----	.71	.43	.47	.47	.48	.52
Southern Plains-----	.78	.47	.50	.49	.50	.53
Montana-----	1.42	.89	.92	.89	.88	.90
Idaho-----	1.34	.86	.94	.99	.99	1.05
Wyoming-----	.94	.57	.76	.93	.86	.87
Colorado-----	1.53	.89	.88	1.23	1.18	1.17
New Mexico-----	.70	.33	.35	.33	.31	.31
Arizona-----	1.11	.38	.77	.69	.73	.72
Utah-----	1.31	.84	.84	1.04	.96	1.02
Nevada-----	1.14	.64	.73	.53	.50	.52
Mountain-----	1.27	.73	.80	.88	.86	.88
Washington-----	.80	.50	.59	.62	.61	.60
Oregon-----	1.15	.57	1.06	1.02	.99	1.02
California-----	1.15	.62	.98	.90	.89	.95
Pacific-----	1.08	.59	.92	.87	.86	.90
48 States 2/-----	1.18	.77	.86	.91	.89	.93

1/ Year of levy but not necessarily year of payment.

2/ Data not available for Alaska or Hawaii.

Table 33.- Taxes levied on farm real estate: Total taxes, by States, specified years, 1940-59 1/

State and region	1940	1945	1950	1957	1958 2/	1959 2/
	Million dollars	Million dollars	Million dollars	Million dollars	Million dollars	Million dollars
Maine-----	3.5	4.6	5.3	5.6	5.7	6.0
New Hampshire-----	1.6	1.9	2.4	2.8	3.0	3.2
Vermont-----	2.0	2.3	3.0	4.1	4.3	4.5
Massachusetts-----	5.2	5.6	5.6	7.2	7.8	8.4
Rhode Island-----	.4	.5	.5	.6	.7	.8
Connecticut-----	2.8	3.5	4.2	6.0	6.6	7.3
New York-----	18.8	19.3	26.5	36.3	38.8	41.5
New Jersey-----	4.3	4.5	6.7	12.9	13.8	15.2
Pennsylvania-----	14.4	15.7	19.3	24.4	26.3	28.2
Delaware-----	.3	.4	.5	.8	.8	.9
Maryland-----	3.4	3.5	4.7	5.9	6.2	6.9
Northeast-----	56.7	61.8	78.7	106.6	114.0	122.9
Michigan-----	8.3	9.6	13.1	25.2	27.3	28.7
Wisconsin-----	17.8	22.5	36.4	47.3	49.1	52.2
Minnesota-----	21.6	28.1	43.6	60.4	64.2	70.1
Lake States-----	47.7	60.2	93.1	132.9	140.6	151.0
Ohio-----	15.0	16.1	22.7	36.3	38.3	41.4
Indiana-----	15.1	16.1	26.5	37.7	40.0	43.7
Illinois-----	30.4	34.6	64.3	106.0	114.5	118.7
Iowa-----	34.0	41.6	65.7	85.4	90.1	93.8
Missouri-----	11.0	11.8	17.8	26.6	28.2	30.2
Corn Belt-----	105.5	120.2	197.0	292.0	311.0	327.9
North Dakota-----	8.4	9.5	16.7	19.9	19.9	21.0
South Dakota-----	9.6	10.9	18.2	26.0	25.8	26.8
Nebraska-----	14.3	17.5	30.2	48.2	49.7	52.6
Kansas-----	17.6	20.1	35.0	50.9	53.3	59.8
Northern Plains-----	49.9	58.0	100.1	145.0	148.7	162.2
Virginia-----	4.4	4.7	7.1	10.5	10.8	10.9
West Virginia-----	1.4	1.5	1.9	2.1	2.2	2.7
North Carolina-----	6.9	7.5	9.6	12.1	12.8	14.3
Kentucky-----	6.5	7.4	12.3	13.5	13.9	14.4
Tennessee-----	7.1	7.3	8.7	9.8	9.9	10.8
Appalachian-----	26.3	28.4	39.6	48.0	49.7	53.2
South Carolina-----	3.4	2.9	4.3	5.0	5.3	5.6
Georgia-----	3.4	4.4	8.2	8.6	8.6	8.9
Florida-----	2.6	3.3	8.1	13.4	14.5	16.9
Alabama-----	3.9	4.3	5.3	6.0	6.1	6.2
Southeast-----	15.3	14.9	25.9	33.0	34.5	37.6
Mississippi-----	6.6	7.2	7.8	9.1	9.1	9.6
Arkansas-----	5.1	5.0	6.0	7.8	9.2	11.1
Louisiana-----	3.1	3.3	4.3	5.7	6.1	6.7
Delta States-----	14.8	15.5	18.1	22.6	24.4	27.3
Oklahoma-----	8.4	8.5	12.6	15.0	15.5	16.5
Texas-----	19.0	21.6	37.2	48.9	53.8	60.8
Southern Plains-----	27.4	30.1	49.8	63.9	69.3	77.4
Montana-----	5.2	6.4	10.4	14.8	15.7	16.8
Idaho-----	4.7	6.2	10.0	14.2	15.1	16.7
Wyoming-----	1.6	1.9	3.4	4.7	4.7	5.0
Colorado-----	6.2	7.8	12.2	18.9	19.3	20.0
New Mexico-----	1.3	1.6	2.7	3.3	3.3	3.5
Arizona-----	1.7	1.6	4.5	7.1	8.2	8.5
Utah-----	2.2	3.0	4.4	6.2	6.0	6.7
Nevada-----	.6	.7	1.0	1.1	1.1	1.3
Mountain-----	23.5	29.2	48.6	70.3	73.6	78.6
Washington-----	4.9	6.2	10.0	14.1	14.9	15.7
Oregon-----	5.9	6.1	14.8	18.9	19.3	20.7
California-----	25.2	34.2	64.9	96.2	103.1	117.0
Pacific-----	35.0	46.5	89.7	129.2	137.3	153.4
48 States 4/-----	401.1	444.8	740.6	1,043.5	1,103.2	1,191.4

1/ Year of levy but not necessarily year of payment.

2/ Totals computed before rounding.

3/ Preliminary.

4/ Data not available for Alaska or Hawaii.

Table 34.- Rural Electrification Administration: Electrification loans outstanding, by States, specified dates, 1959 and 1960 1/

State and region	Jan. 1, 1959		July 1, 1959		Jan. 1, 1960	
	To	To	To	To	To	To
	cooperatives	others 2/	cooperatives	others 2/	cooperatives	others 2/
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
Maine	2,402	0	2,490	0	2,528	0
New Hampshire	6,644	169	6,726	167	6,877	164
Vermont	3,120	0	3,296	0	3,319	0
Massachusetts	0	0	0	0	0	0
Rhode Island	0	0	0	0	0	0
Connecticut	0	0	0	0	0	0
New York	2,338	0	2,370	0	2,384	0
New Jersey	606	0	623	0	617	0
Pennsylvania	26,944	0	27,373	0	27,930	0
Delaware	4,056	0	4,062	0	4,198	0
Maryland	13,215	0	13,465	0	13,807	0
Northeast	59,325	169	60,405	167	61,710	164
Michigan	46,255	0	47,323	0	48,032	0
Wisconsin	90,264	0	93,713	0	95,244	0
Minnesota	107,789	526	109,660	518	110,826	477
Lake States	244,308	526	250,696	518	254,102	477
Ohio	38,157	4,920	39,094	5,274	40,189	5,434
Indiana	32,781	0	32,441	0	33,007	0
Illinois	67,620	0	67,826	0	68,206	0
Iowa	111,958	0	115,710	0	118,159	0
Missouri	186,958	0	189,259	0	192,678	0
Corn Belt	437,474	4,920	444,330	5,274	452,239	5,434
North Dakota	85,640	246	85,902	230	85,503	215
South Dakota	72,378	0	72,652	0	72,991	0
Nebraska	9,106	109,319	9,978	109,679	11,654	109,670
Kansas	74,499	0	76,701	0	80,501	0
Northern Plains	241,623	109,565	245,233	109,909	250,649	109,885
Virginia	51,487	0	51,918	0	53,190	0
West Virginia	931	0	956	0	1,002	0
North Carolina	74,719	246	76,018	220	78,385	220
Kentucky	115,531	0	119,526	0	125,053	0
Tennessee	71,015	3,184	71,670	3,112	72,478	3,248
Appalachian	313,683	3,430	320,088	3,332	330,108	3,468
South Carolina	56,540	1,476	56,411	1,555	57,567	1,626
Georgia	77,056	0	78,901	0	80,399	0
Florida	43,781	0	45,823	0	48,132	0
Alabama	59,140	2,256	59,187	2,429	60,360	2,610
Southeast	233,517	3,732	240,322	3,984	246,458	4,236
Mississippi	66,833	259	67,304	253	68,710	247
Arkansas	73,476	0	74,598	0	75,610	0
Louisiana	35,440	3,921	37,575	4,181	38,999	4,316
Delta States	176,758	4,250	179,477	4,434	183,519	4,563
Oklahoma	106,823	0	110,825	0	113,043	0
Texas	204,021	1,146	209,103	1,138	215,430	1,128
Southern Plains	310,844	1,146	319,928	1,138	328,473	1,128
Montana	39,544	0	39,879	0	40,609	0
Idaho	15,234	0	15,266	0	15,408	0
Wyoming	26,213	0	26,639	0	28,026	0
Colorado	75,525	0	78,844	0	80,306	0
New Mexico	59,805	0	61,408	0	63,547	0
Arizona	17,727	883	17,966	1,350	18,724	1,350
Utah	9,828	0	11,264	0	12,828	0
Nevada	0	218	0	214	423	202
Mountain	243,376	1,101	251,266	1,564	259,871	1,552
Washington	19,154	10,133	19,616	10,272	19,979	10,871
Oregon	31,753	475	31,913	471	32,304	463
California	5,932	19,522	6,558	20,779	6,691	20,444
Pacific	56,839	30,130	58,087	31,522	58,974	31,778
48 States	2,320,247	158,969	2,369,832	161,842	2,426,103	162,685
Alaska	0	0	24,643	1,571	27,834	1,506
United States 3/	2,320,247	158,969	2,394,475	163,413	2,453,937	164,191
Puerto Rico	22,584	27,525	0	25,844	0	28,240

1/ Cumulative net advances minus principal repayments.

2/ Principally loans to public bodies and to power companies.

3/ There were no loans in Hawaii.

Rural Electrification Administration.

Table 35.- Rural Electrification Administration: Telephone loans outstanding, by States, specified dates, 1959 and 1960 1/

State and region	Jan. 1, 1959		July 1, 1959		Jan. 1, 1960	
	To	To	To	To	To	To
	cooperatives	others 2/	cooperatives	others 2/	cooperatives	others 2/
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
Maine-----	0	3,882	0	4,266	0	4,686
New Hampshire-----	0	405	0	427	0	538
Vermont-----	0	122	0	121	0	119
Massachusetts-----	0	264	0	261	0	258
Rhode Island-----	0	0	0	0	0	0
Connecticut-----	0	0	0	0	0	0
New York-----	0	1,182	0	1,435	0	1,590
New Jersey-----	0	1,332	0	1,337	0	1,717
Pennsylvania-----	0	6,889	0	9,128	0	10,519
Delaware-----	0	0	0	0	0	0
Maryland-----	0	0	0	0	0	0
Northeast-----	0	14,076	0	16,975	0	19,427
Michigan-----	325	4,447	430	5,017	451	5,741
Wisconsin-----	3,234	5,513	3,469	7,008	3,857	8,621
Minnesota-----	10,933	8,428	11,278	10,849	11,892	12,529
Lake States-----	14,492	18,388	15,177	22,874	16,200	26,891
Ohio-----	569	351	661	502	671	645
Indiana-----	3,445	3,599	3,520	3,867	3,651	4,183
Illinois-----	3,018	11,358	3,484	12,439	3,708	14,325
Iowa-----	5,191	7,415	5,552	8,703	5,975	10,313
Missouri-----	10,734	6,314	11,226	7,527	12,287	11,061
Corn Belt-----	22,957	29,037	25,143	33,038	26,292	40,527
North Dakota-----	19,605	337	21,623	495	22,923	537
South Dakota-----	9,970	0	10,999	0	11,892	0
Nebraska-----	1,950	839	2,471	1,018	3,481	1,160
Kansas-----	9,227	11,550	9,604	14,002	9,951	15,893
Northern Plains-----	40,752	12,726	44,697	15,515	48,247	17,590
Virginia-----	1,538	4,448	1,559	4,894	1,581	5,510
West Virginia-----	304	842	303	1,344	394	2,197
North Carolina-----	4,999	4,504	5,157	5,022	5,446	5,681
Kentucky-----	9,538	9,885	10,108	11,030	10,873	13,291
Tennessee-----	10,920	7,531	12,152	8,586	13,001	9,754
Appalachian-----	27,299	27,210	29,279	30,678	31,295	36,433
South Carolina-----	6,786	2,325	7,016	2,389	7,312	2,665
Georgia-----	2,930	11,065	3,008	13,096	3,144	15,111
Florida-----	0	8,353	0	8,910	0	10,214
Alabama-----	1,578	8,283	1,673	10,180	1,642	10,910
Southeast-----	11,294	30,726	11,697	34,575	12,098	38,900
Mississippi-----	0	3,512	0	4,032	0	4,771
Arkansas-----	784	4,067	860	5,130	924	5,672
Louisiana-----	0	10,538	0	11,382	0	12,252
Delta States-----	784	18,117	860	20,544	924	22,692
Oklahoma-----	3,020	4,838	3,288	5,255	4,196	6,306
Texas-----	16,206	13,579	17,088	17,896	17,734	21,039
Southern Plains-----	19,226	18,417	20,376	23,151	21,930	27,345
Montana-----	9,129	0	9,844	0	10,916	0
Idaho-----	1,900	1,223	1,933	1,462	1,950	1,673
Wyoming-----	395	703	433	797	449	880
Colorado-----	2,550	564	2,752	839	2,902	1,182
New Mexico-----	2,278	294	2,265	304	2,292	318
Arizona-----	0	2,630	0	2,992	0	3,108
Utah-----	1,108	547	1,100	540	1,093	656
Nevada-----	0	387	0	388	0	479
Mountain-----	17,360	6,448	18,327	7,322	19,602	8,296
Washington-----	840	4,606	834	4,764	823	5,223
Oregon-----	2,897	4,269	2,911	5,157	2,910	5,683
California-----	0	2,470	0	4,927	0	6,335
Pacific-----	3,737	11,345	3,745	14,848	3,733	17,241
48 States-----	157,901	186,490	169,301	219,720	180,321	255,345
Alaska-----	0	0	724	0	716	0
United States 3/-----	157,901	186,490	170,025	219,720	181,037	255,345
Puerto Rico-----	707	0	0	0	0	0

1/ Cumulative net advances minus principal repayments.

2/ Loans to commercial telephone companies.

3/ There were no loans in Hawaii.

Rural Electrification Administration.

Table 36.- Rural Electrification Administration: Electrification and telephone loans made in 1958 and 1959, by States 1/

State and region	Electrification loans				Telephone loans			
	1958		1959		1958		1959	
	To	To	To	To	To	To	To	To
	cooperatives	others 2/	cooperatives	others 2/	cooperatives	others 3/	cooperatives	others 3/
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
Maine-----	125	0	198	0	0	906	0	856
New Hampshire-----	372	0	374	0	0	229	0	133
Vermont-----	191	0	361	0	0	2	0	0
Massachusetts-----	0	0	0	0	0	0	0	0
Rhode Island-----	0	0	0	0	0	0	0	0
Connecticut-----	0	0	0	0	0	0	0	0
New York-----	192	0	145	0	0	604	0	416
New Jersey-----	52	0	24	0	0	205	0	415
Pennsylvania-----	2,603	0	2,073	0	0	3,428	0	3,753
Delaware-----	161	0	269	0	0	0	0	0
Maryland-----	1,238	0	1,100	0	0	0	0	0
Northeast-----	4,934	0	4,544	0	0	5,376	0	5,573
Michigan-----	3,095	0	3,405	0	323	807	126	1,359
Wisconsin-----	8,625	0	7,895	0	698	1,451	684	3,266
Minnesota-----	7,268	0	8,393	0	1,059	3,487	1,252	4,230
Lake States-----	18,988	0	19,693	0	2,080	5,745	2,062	8,855
Ohio-----	3,259	346	3,862	637	215	225	106	296
Indiana-----	2,730	0	2,553	0	163	657	272	640
Illinois-----	2,851	0	3,576	0	372	4,326	795	3,259
Iowa-----	9,755	0	11,893	0	686	3,327	924	2,975
Missouri-----	12,504	0	12,460	0	2,120	2,924	1,771	4,807
Corn Belt-----	31,099	346	34,344	637	3,556	11,459	3,868	11,977
North Dakota-----	2,678	0	2,793	0	5,869	337	3,640	200
South Dakota-----	2,045	0	3,561	0	1,512	0	2,118	0
Nebraska-----	189	8,237	2,866	4,010	703	443	1,551	324
Kansas-----	4,051	0	8,359	0	1,318	3,523	884	4,470
Northern Plains-----	8,963	8,237	17,579	4,010	9,402	4,903	8,193	4,994
Virginia-----	2,726	0	3,300	0	476	1,368	75	1,101
West Virginia-----	49	0	104	0	16	205	93	1,368
North Carolina-----	5,507	0	7,556	0	724	765	644	1,310
Kentucky-----	9,626	0	14,179	0	2,326	3,228	1,505	3,513
Tennessee-----	5,946	228	4,130	202	1,416	1,727	2,326	2,356
Appalachian-----	24,054	228	29,269	202	4,958	7,293	4,643	9,548
South Carolina-----	4,171	155	3,120	245	578	405	812	384
Georgia-----	6,638	0	6,802	0	315	2,714	270	4,192
Florida-----	4,963	0	5,674	0	0	2,365	0	1,951
Alabama-----	5,711	463	4,836	446	127	1,732	129	2,073
Southeast-----	21,483	618	20,432	691	1,020	7,216	1,211	8,600
Mississippi-----	3,759	0	4,969	0	0	1,252	0	1,339
Arkansas-----	3,222	0	4,831	0	219	1,029	165	1,651
Louisiana-----	4,360	410	3,943	412	0	2,489	0	1,238
Delta States-----	11,341	410	13,743	412	219	4,770	165	4,928
Oklahoma-----	9,462	0	10,077	0	2,043	1,891	1,224	1,589
Texas-----	18,220	472	18,606	0	1,611	5,545	1,867	7,624
Southern Plains-----	27,682	472	28,683	0	3,654	7,436	3,091	9,213
Montana-----	3,165	0	2,545	0	1,757	0	1,966	0
Idaho-----	1,470	0	729	0	235	510	94	461
Wyoming-----	2,782	0	2,854	0	87	322	59	183
Colorado-----	9,885	0	7,212	0	1,285	218	367	508
New Mexico-----	4,145	0	6,040	0	98	40	83	29
Arizona-----	1,393	0	2,808	467	0	1,560	0	495
Utah-----	2,582	0	3,225	0	17	93	13	123
Nevada-----	0	136	423	17	0	43	0	103
Mountain-----	25,422	136	25,236	484	3,479	2,786	2,582	1,222
Washington-----	1,301	771	1,565	1,029	95	158	0	713
Oregon-----	1,604	139	1,644	6	426	2,120	90	1,476
California-----	856	4,165	899	1,507	0	1,304	0	3,911
Pacific-----	3,761	5,075	4,108	2,542	521	3,522	90	6,100
48 States-----	177,727	15,522	197,631	8,978	28,889	59,966	25,905	71,810
Alaska-----	0	0	5,751	12	0	0	23	0
United States 4/-----	177,727	15,522	203,382	8,990	28,889	59,966	25,928	71,810
Puerto Rico-----	4,756	5,217	0	2,500	31	0	0	0

1/ Net advance to borrowers.

2/ Principally loans to public bodies and to power companies.

3/ Loans to commercial telephone companies.

4/ There were no loans in Hawaii.

Rural Electrification Administration.

Table 37.- Farm real estate: Average value per acre and total value, United States, selected years, 1850-1900, and 1910-60 ^{1/}

Year	Value of farm real estate		Year	Value of farm real estate	
	Per acre	Total		Per acre	Total
	Dollars	Million dollars		Dollars	Million dollars
1850-----	11.14	3,270	:: 1930-----	48.52	47,873
1860-----	16.31	6,642	:: 1931-----	43.72	43,730
1870-----	18.25	7,441	:: 1932-----	36.67	37,180
1880-----	19.01	10,193	:: 1933-----	29.98	30,802
1890-----	21.30	13,273	:: 1934-----	30.93	32,201
1900-----	19.80	16,603	:: 1935-----	31.54	33,264
1910-----	39.59	34,793	:: 1936-----	32.45	34,260
1911-----	40.66	36,042	:: 1937-----	33.31	35,213
1912-----	41.71	37,298	:: 1938-----	33.23	35,170
1913-----	42.64	38,456	:: 1939-----	32.17	34,085
1914-----	43.51	39,579	:: 1940-----	31.71	33,636
1915-----	43.16	39,590	:: 1941-----	31.94	34,400
1916-----	45.69	42,264	:: 1942-----	34.35	37,547
1917-----	48.80	45,524	:: 1943-----	37.50	41,604
1918-----	53.14	49,980	:: 1944-----	42.83	48,200
1919-----	57.51	54,533	:: 1945-----	47.20	53,884
1920-----	69.37	66,310	:: 1946-----	53.31	61,046
1921-----	64.79	61,523	:: 1947-----	59.62	68,463
1922-----	57.30	54,050	:: 1948-----	63.96	73,664
1923-----	56.17	52,629	:: 1949-----	66.33	76,623
1924-----	54.25	50,487	:: 1950-----	64.96	75,256
1925-----	53.51	49,463	:: 1951-----	74.92	86,798
1926-----	52.31	49,000	:: 1952-----	82.87	96,004
1927-----	50.23	47,680	:: 1953-----	83.43	96,638
1928-----	49.42	47,532	:: 1954-----	81.76	94,688
1929-----	49.25	47,985	:: 1955-----	85.29	98,780
			:: 1956-----	88.63	102,652
			:: 1957-----	94.52	109,469
			:: 1958-----	100.39	116,268
			:: 1959-----	108.11	125,086
			:: 1960-----	111.46	129,095

^{1/} Data for 48 States only. Farmland and buildings as of date of census enumeration for years 1850-90, 1900, 1910, 1920, 1925, 1930, 1940, and 1950, excluding District of Columbia. The 1954 census data were adjusted to March 1955 on the basis of the change in the index of average value from November 1954 to March 1955. Other years as of March 1 are interpolated by applying the change shown in the revised index of value per acre to census data. Acres in farms are interpolated from census data at 5-year intervals. Acres in farms reported by the 1954 census were used for 1955-60.

Table 38.- Farm real estate: Index numbers of average value per acre, United States, 1912-60 ^{1/}

Year	1912-14 = 100	1947-49 = 100	Year	1912-14 = 100	1947-49 = 100	Year	1912-14 = 100	1947-49 = 100
1912-----	97	57.7	1944:			1953:		
1913-----	100	59.5	March--	113	66.9	March--	221	131.5
1914-----	103	61.2	July--	116	68.7	July--	218	129.9
1915-----	103	61.1	Nov.--	118	69.9	Nov.--	215	127.7
1916-----	110	65.1						
1917-----	118	70.3	1945:			1954:		
1918-----	130	77.5	March--	124	74.0	March--	216	128.4
1919-----	142	84.5	July--	128	76.2	July--	218	129.5
			Nov.--	131	77.9	Nov.--	221	131.5
1920-----	173	102.8						
1921-----	160	95.3	1946:			1955:		
1922-----	140	83.5	March--	141	83.7	March--	224	133.1
1923-----	136	80.9	July--	145	86.5	July--	228	135.6
1924-----	131	77.7	Nov.--	150	89.1	Nov.--	231	137.5
1925-----	128	76.1						
1926-----	125	74.2	1947:			1956:		
1927-----	120	71.1	March--	157	93.6	March--	232	137.9
1928-----	117	69.9	July--	160	95.3	July--	236	140.4
1929-----	116	69.2	Nov.--	163	96.7	Nov.--	241	143.4
1930-----	114	68.0	1948:			1957:		
1931-----	103	61.2	March--	170	101.2	March--	247	147.0
1932-----	86	51.2	July--	175	103.8	July--	253	150.6
1933-----	70	41.9	Nov.--	178	105.6	Nov.--	258	153.5
1934-----	74	43.9						
1935-----	77	45.5	1949:			1958:		
1936-----	80	47.5	March--	177	105.2	March--	262	155.9
1937-----	83	49.3	July--	174	103.6	July--	268	159.2
1938-----	84	49.7	Nov.--	172	102.1	Nov.--	274	162.8
1939-----	82	48.7						
			1950:			1959:		
1940-----	82	48.7	March--	174	103.3	March--	282	167.5
1941-----	83	49.2	July--	178	105.6	July--	285	169.5
1942:			Nov.--	186	110.5	Nov.--	288 ^{2/}	171.2
March--	89	53.2						
July--	89	53.2	1951:			1960:		
Nov.--	91	54.4	March--	200	119.1	March--	291	172.8
			July--	209	124.3			
1943:			Nov.--	214	127.1			
March--	98	58.3						
July--	100	59.4	1952:					
Nov.--	103	61.4	March--	221	131.5			
			July--	223	132.6			
			Nov.--	222	132.3			

^{1/} Data for 48 States only. Farmland and buildings as of March 1, except as indicated.^{2/} Revised.

Table 39.- Farm real estate values: Index numbers of average value per acre, by States, March 1, specified years 1940-60

State and region	(1947-49 = 100)										
	1940	1945	1950	1953	1954	1955	1956	1957	1958	1959	1960
Maine-----	69	85	95	111	109	104	107	114	118	125	131
New Hampshire-----	67	83	97	108	105	105	108	113	119	129	137
Vermont-----	58	74	101	113	107	104	107	112	120	129	137
Massachusetts-----	74	87	99	112	106	106	108	117	126	137	147
Rhode Island-----	66	79	101	111	109	108	112	122	133	145	155
Connecticut-----	65	78	100	111	109	111	115	126	138	149	155
New York-----	59	75	105	121	118	119	124	133	137	146	149
New Jersey-----	62	79	103	126	129	132	143	156	168	183	190
Pennsylvania-----	58	80	102	129	130	134	143	154	163	172	181
Delaware-----	55	76	99	123	124	130	135	148	163	177	184
Maryland-----	50	73	98	129	129	136	140	153	167	179	185
Northeast-----	60	78	102	122	121	123	130	139	147	158	164
Michigan-----	46	73	100	126	128	133	141	152	158	170	173
Wisconsin-----	58	76	101	119	113	113	117	127	133	142	144
Minnesota-----	55	74	109	134	127	135	145	160	171	181	182
Lake States-----	54	75	104	127	122	127	135	147	154	165	167
Ohio-----	46	72	101	134	132	141	151	161	171	178	180
Indiana-----	44	73	103	138	137	147	154	166	173	182	186
Illinois-----	50	74	108	140	139	142	149	161	169	182	182
Iowa-----	50	73	108	128	125	133	136	142	147	157	161
Missouri-----	50	78	106	132	124	130	134	146	156	169	172
Corn Belt-----	49	74	106	134	132	139	144	154	162	173	175
North Dakota-----	48	71	107	136	134	132	136	150	162	178	182
South Dakota-----	47	69	111	140	135	139	140	146	156	171	173
Nebraska-----	47	68	104	136	127	134	133	131	146	159	160
Kansas-----	45	70	106	133	125	129	133	136	147	156	160
Northern Plains-----	46	70	107	135	129	133	135	138	150	162	165
Virginia-----	48	74	101	134	129	135	143	152	161	174	178
West Virginia-----	58	72	95	113	107	110	117	125	132	142	145
North Carolina-----	43	70	106	138	133	140	146	154	161	170	173
Kentucky-----	42	70	102	123	116	115	115	127	133	145	153
Tennessee-----	42	69	103	125	116	118	121	129	136	150	156
Appalachian-----	44	70	103	129	123	126	130	139	146	158	163
South Carolina-----	43	78	97	119	120	121	126	136	143	155	163
Georgia-----	45	73	99	136	134	138	145	157	171	188	201
Florida-----	57	96	97	123	134	141	157	183	213	245	252
Alabama-----	47	69	101	131	125	125	134	142	152	169	174
Southeast-----	48	79	99	128	129	132	141	156	171	191	199
Mississippi-----	46	71	106	139	135	137	147	159	169	186	191
Arkansas-----	40	71	105	128	124	126	132	144	154	163	170
Louisiana-----	57	77	105	130	132	138	146	161	174	192	198
Delta States-----	46	72	104	131	129	132	140	152	163	177	183
Oklahoma-----	50	69	108	133	128	136	138	148	155	168	177
Texas-----	55	77	102	134	133	137	139	151	158	169	176
Southern Plains-----	54	75	103	133	132	137	139	150	157	169	176
Montana-----	43	68	104	144	142	146	152	162	171	183	191
Idaho-----	43	76	107	138	136	142	146	152	158	169	176
Wyoming-----	40	67	100	128	123	123	123	121	128	138	145
Colorado-----	37	64	104	130	128	128	124	121	130	138	145
New Mexico-----	36	70	107	136	135	136	137	133	141	149	157
Arizona-----	40	75	99	136	135	137	144	145	157	168	176
Utah-----	49	73	107	137	133	137	139	136	142	150	158
Nevada-----	49	81	99	129	137	139	142	145	153	164	173
Mountain-----	41	70	104	136	134	136	138	139	148	158	165
Washington-----	45	75	101	134	132	137	140	147	156	167	179
Oregon-----	41	74	99	127	123	128	130	137	144	152	159
California-----	42	80	94	125	122	128	137	147	158	172	182
Pacific-----	42	79	96	127	124	130	137	146	156	168	179
48 States 1/-----	49	74	103	132	128	133	138	147	156	168	173

1/ Data not available for Alaska or Hawaii.

Table 40.- Farm real estate: Land transfers and value, United States, specified years, 1930-60 1/

Table 40.- Farm real estate: Land transfers and value, United States, specified years, 1930-60 1/

Year ended: March 15	Number of farms changing ownership per 1,000 farms				Index of average value per acre (1947-49 = 100)	
	Voluntary sales and trades	Forced sales and related defaults 2/	Other 3/	Total	4/	
	Number	Number	Number	Number	Number	
1930-----	23.7	20.8	17.0	61.5	68	
1935-----	19.4	28.3	21.4	69.1	46	
1940-----	30.3	15.8	16.7	62.8	49	
1941-----	34.1	13.7	15.7	63.5	49	
1942-----	41.7	9.2	15.0	65.9	53	
1943-----	45.8	6.5	14.5	66.8	58	
1944-----	56.0	4.8	15.2	76.0	67	
1945-----	51.5	2.9	15.1	69.5	74	
1946-----	57.3	2.3	15.2	74.8	84	
1947-----	57.6	1.8	16.2	75.6	94	
1948-----	48.9	1.5	15.3	65.7	101	
1949-----	40.9	1.6	14.3	56.8	105	
1950-----	37.0	1.8	3.4	52.2	103	
1951-----	39.4	1.8	12.8	54.0	119	
1952-----	37.4	2.1	12.6	52.1	132	
1953-----	34.2	1.6	11.8	47.6	132	
1954-----	29.9	2.1	12.1	44.1	128	
1955-----	31.9	2.4	12.3	46.6	133	
1956-----	33.2 32.4	2.9	14.4	50.5 49.7	138	
1957-----	31.4	2.7	13.7	47.8	147	
1958-----	31.1	2.4	14.5	48.0	156	
1959-----	31.2	2.0	14.8	48.1	168	
1960-----	30.7	2.2	14.2	47.1	173	

1/ Data for 48 States.

2/ Includes tax sales, loss of title by default of contract, sales to avoid foreclosure, and surrender of title or other transfers to avoid foreclosure.

3/ Largely inheritance, gifts, and sales in settlement of estates; also includes a small number of miscellaneous and unclassified transfers.

4/ Farmland and buildings as of March 1.

Table 41.- Farm fire losses, United States, 1940-59 1/

Year	Amount	Year	Amount	Year	Amount
	Million dollars		Million dollars		Million dollars
1940	64	1947	125	1954	144
1941	67	1948	141	1955	148
1942	68	1949	127	1956	145
1943	82	1950	131	1957	152
1944	90	1951	145	1958	156
1945	94	1952	145	1959	174
1946	105	1953	135		

1/ There are no farmers' mutual fire insurance companies in Alaska or Hawaii. Represents fire and lightning losses on buildings, implements and machinery, livestock, crop, and household goods.

Table 42.- Farmers' mutual fire insurance: Number of companies, amount and cost of insurance, and surplus and reserves, United States, specified years, 1914-59 1/ 2/

Year	Companies	Insurance in force at end of year	Cost per \$100 of insurance			Surplus and reserves at end of year 3/
			Losses	Expenses	Total	
	Number	1,000 dollars	Cents	Cents	Cents	1,000 dollars
1914	1,947	5,264,119	20.4	6.0	26.4	---
1920	1,944	7,865,988	17.4	8.4	25.8	---
1930	1,886	11,382,104	24.8	6.8	31.6	---
1940	1,898	12,294,287	17.1	8.1	25.2	45,474
1941	1,885	12,518,913	16.2	8.4	24.6	50,119
1942	1,877	12,982,390	14.6	8.1	22.7	55,797
1943	1,878	13,777,555	16.2	7.7	23.9	61,413
1944	1,847	14,221,012	15.9	7.8	23.7	63,490
1945	1,841	15,170,456	15.6	8.0	23.6	70,644
1946	1,833	16,941,434	15.8	8.8	24.6	76,194
1947	1,803	19,263,745	15.8	8.5	24.3	85,625
1948	1,806	20,769,410	16.4	8.7	25.1	93,328
1949	1,808	22,488,417	14.0	8.3	22.3	108,033
1950	1,777	24,160,742	14.6	8.4	23.0	122,384
1951	1,745	25,493,692	14.1	8.0	22.1	129,252
1952	1,759	27,716,145	13.8	8.2	22.0	147,639
1953	1,694	26,898,393	14.3	7.3	21.6	152,608
1954	1,709	28,295,428	16.7	7.5	24.2	167,264
1955	1,651	28,222,975	15.9	7.5	23.4	160,540
1956	1,636	28,547,953	15.9	7.9	23.8	169,497
1957 4/	1,634	29,164,350	14.7	7.9	22.6	175,418
1958 5/	---	30,768,000	16.5	7.2	23.7	196,900
1959 5/	---	32,891,000	17.9	7.2	25.1	206,600

1/ There are no farmers' mutual fire insurance companies in Alaska or Hawaii. For 1914, 1920, and 1930, includes companies with more than 65 percent of their insurance on farm property; for later years those with at least 50 percent. In recent years, between 86 and 88 percent of total farm mutual insurance has been on farm property.

2/ For 1914-56, data are for the number of companies shown; they may not be entirely complete for any year. For 1958 and 1959, the data are estimates for all companies.

3/ Excess of assets over liabilities. Most farmers' mutuals are assessment companies and as such are not required to set up unearned premium reserves. Data not compiled before 1935.

4/ Revised.

5/ Preliminary estimates based on sample of companies.

Data for 1914, 1920, 1930 and for 1942-59 compiled by Farm Economics Research Division, ARS (formerly part of Bureau of Agricultural Economics); those for 1940 and 1941 by the Farm Credit Administration.

Table 43.

State

Maine
New Hampshire
Vermont
Massachusetts
Rhode Island
Connecticut
New York
New Jersey
Pennsylvania
Delaware
Maryland
North Carolina

Michigan
Wisconsin
Minnesota
Lake Superior

Ohio
Indiana
Illinois
Iowa
Missouri
Corn

North Dakota
South Dakota
Nebraska
Kansas
North

Virginia
West Virginia
North Carolina
Kentucky
Tennessee
Appalachian

South Carolina
Georgia
Florida
Alabama
South

Mississippi
Arkansas
Louisiana
De

Oklahoma
Texas
So

Montana
Idaho
Wyoming
Colorado
New Mexico
Arizona
Utah
Ne

Washington
Oregon
California

Table 43.- Farmers' mutual fire insurance: Number of companies, amount and cost of insurance, and surplus and reserves, by States, 1957 1/

State and region	Companies	Insurance in force at end of year	Cost per \$100 of insurance			Surplus and reserves at end of year 2/
			Losses	Expenses	Total	
	Number	1,000 dollars	Cents	Cents	Cents	1,000 dollars
Missouri	28	148,556	35.0	23.5	58.5	977
New Hampshire	9	4,442	2.4	2.0	4.4	32
Vermont	4	199,148	31.6	11.3	42.9	1,385
Massachusetts 3/	0	0	0	0	0	0
Rhode Island 3/	0	0	0	0	0	0
Connecticut	1	27,573	28.2	25.9	54.1	246
New York	107	1,566,095	22.4	9.6	32.0	10,178
New Jersey	3	179,362	18.2	14.0	32.2	2,598
Pennsylvania	109	1,736,665	11.4	7.8	19.2	12,146
Delaware	2	6,865	7.0	8.6	15.6	75
Maryland	5	184,497	10.5	9.7	20.2	1,760
Northeast	268	4,053,203	17.7	9.6	27.3	29,397
Michigan	58	1,924,261	20.3	10.3	30.6	10,812
Wisconsin	183	3,200,246	11.4	5.0	16.4	12,872
Minnesota	153	2,870,786	9.4	4.4	13.8	11,156
Lake States	394	7,995,293	12.8	6.1	18.9	34,840
Ohio	91	2,945,419	16.6	6.2	22.8	10,658
Indiana	68	1,404,631	15.5	7.3	22.8	8,375
Illinois	189	1,773,567	10.2	6.3	16.5	9,869
Iowa	145	3,910,421	10.1	5.6	15.7	19,643
Missouri	105	822,445	17.6	6.6	24.2	5,210
Corn Belt	598	10,856,483	13.1	6.2	19.3	53,755
North Dakota	31	458,351	13.1	9.4	22.5	3,126
South Dakota	43	466,082	6.9	4.6	11.5	3,074
Nebraska	40	1,049,372	13.5	13.5	27.0	7,501
Kansas	10	414,570	23.5	13.7	37.2	3,227
Northern Plains	124	2,388,375	14.0	11.1	25.1	16,928
Virginia	39	500,309	15.7	13.1	28.8	6,151
West Virginia	13	102,610	13.5	15.7	29.2	2,095
North Carolina	31	197,746	21.4	11.4	32.8	3,510
Kentucky	15	220,431	27.5	16.5	44.0	4,264
Tennessee	29	183,247	18.1	11.0	29.1	1,704
Appalachian	127	1,204,343	19.0	13.4	32.4	17,724
South Carolina	10	48,564	43.6	20.8	64.4	1,238
Georgia	16	71,145	27.9	16.2	44.1	1,354
Florida	1	65,146	25.8	14.8	40.6	74
Alabama	1	106,361	64.4	33.8	98.2	1,131
Southeast	28	291,216	43.7	23.3	67.0	3,797
Mississippi	1	75,980	48.3	18.7	67.0	167
Arkansas	13	214,174	61.4	16.9	78.3	2,331
Louisiana	1	3,500	114.6	40.3	154.9	275
Delta States	15	293,654	59.1	17.7	76.8	2,773
Oklahoma	2	32,109	36.3	9.1	45.4	887
Texas	34	516,742	15.6	5.1	20.7	6,303
Southern Plains	36	548,851	16.8	5.3	22.1	7,190
Montana	12	95,008	10.7	8.5	19.2	1,002
Idaho	7	155,334	12.4	6.1	18.5	1,212
Wyoming	2	7,014	12.2	22.7	34.9	114
Colorado	5	370,010	9.5	7.3	16.8	1,101
New Mexico 3/	0	0	0	0	0	0
Arizona 3/	0	0	0	0	0	0
Utah 3/	0	0	0	0	0	0
Nevada 3/	0	0	0	0	0	0
Mountain	26	627,366	10.1	7.1	17.2	3,429
Washington	2	173,952	11.6	12.0	23.6	696
Oregon	5	180,474	15.4	12.7	28.1	1,326
California	11	551,140	11.5	12.7	24.2	3,563
Pacific	18	905,566	12.2	12.5	24.7	5,585
United States 4/	1,634	29,164,350	14.7	7.9	22.6	175,418

1/ Revised. Includes companies with at least half of their insurance on farm property. In recent years, about 85 percent of the total farm mutual insurance has been on farm property. Data for some companies not available at time of publication.

2/ Excess of assets over liabilities. Most farmers' mutuals are assessment companies and as such are not required to set up unearned premium reserves.

3/ No mutual fire insurance company with as much as half of its insurance on farm property.

4/ There are no farmers' mutual fire insurance companies in Alaska or Hawaii.

Table 44.- Comparative balance sheet of agriculture,

Item	1940	1941	1942	1943	1944	1945	1946	1947
	Bil. dol.	Bil. dol.	Bil. dol.	Bil. dol.	Bil. dol.	Bil. dol.	Bil. dol.	Bil. dol.
ASSETS								
Physical assets:								
1 : Real estate-----	33.6	34.4	37.5	41.6	48.2	53.9	61.0	68.5
Non-real-estate:								
2 : Livestock-----	5.1	5.3	7.1	9.6	9.7	9.0	9.7	11.9
3 : Machinery and motor vehicles-----	3.1	3.3	4.0	4.9	5.3	6.3	5.2	5.1
4 : Crops stored on and off farms 2/-----	2.7	3.0	3.8	5.1	6.1	6.7	6.3	7.1
5 : Household furnishings and equipment 3/-----	4.3	4.3	4.5	4.6	4.6	4.7	4.8	5.4
Financial assets:								
6 : Deposits and currency-----	3.2	3.5	4.2	5.4	6.6	7.9	9.4	10.2
7 : United States savings bonds-----	.2	.4	.5	1.1	2.2	3.4	4.2	4.2
8 : Investments in cooperatives-----	.8	.9	.9	1.0	1.1	1.2	1.4	1.5
9 : Total 4/-----	53.0	55.1	62.5	73.3	83.8	93.1	102.0	113.9
CLAIMS								
Liabilities:								
10 : Real estate debt-----	6.6	6.5	6.4	6.0	5.4	4.9	4.8	4.9
Non-real-estate debt to:								
11 : Commodity Credit Corporation 5/-----	.4	.6	.6	.8	.6	.7	.3	.1
12 : Other reporting institu- tions 6/-----	1.5	1.6	1.8	1.7	1.7	1.6	1.7	2.0
13 : Nonreporting creditors 7/-----	1.5	1.7	1.7	1.5	1.2	1.1	1.2	1.5
14 : Total liabilities 4/-----	10.0	10.4	10.5	10.0	8.9	8.3	8.0	8.5
15 : Proprietors' equities-----	43.0	44.7	52.0	63.3	74.9	84.8	94.0	105.4
16 : Total 4/-----	53.0	55.1	62.5	73.3	83.8	93.1	102.0	113.9

1/ Data for 48 States only.

2/ Includes all crops held on farms for whatever purpose and crops held off farms as security for Commodity Credit Corporation loans. The latter on Jan. 1, 1959, totaled \$1,877 million.

3/ Estimated valuation for 1940, plus purchases minus depreciation since then.

4/ Total of rounded data.

5/ Includes loans held and loans guaranteed. Although these are nonrecourse loans, they are included as liabilities because borrowers must either repay in cash or deliver the commodities on which they were based.

United States, Jan. 1, 1940-59 1/

1948	1949	1950	1951	1952	1953	1954	1955	1956	1957	1958	1959		
					</								

The values of the underlying commodities are included among the assets; hence the loans must be included as liabilities to avoid overstating the amount of proprietors' equities.

6/ Loans of all operating banks, the production credit associations, and the Farmers Home Administration, and discounts of the Federal intermediate credit banks for agricultural credit corporations and livestock loan companies.

7/ Loans and credits extended by dealers, merchants, finance companies, individuals, and others. Estimates based on fragmentary data. 8/ Revised.

Table 45.- Comparative income statement for

Item	1940	1941	1942	1943	1944	1945	1946
	Mil. dol.	Mil. dol.	Mil. dol.	Mil. dol.	Mil. dol.	Mil. dol.	Mil. dol.
HOW NET INCOME WAS OBTAINED							
Total gross farm income:							
1 : Cash receipts from farm							
: marketings-----	8,382	11,111	15,565	19,620	20,536	21,663	24,802
2 : Government payments to							
: farmers-----	723	544	650	645	776	742	772
3 : Home consumption of farm							
: products-----	1,210	1,429	1,758	2,253	2,181	2,356	2,829
4 : Rental value of farm							
: dwellings-----	723	744	794	844	919	1,011	1,303
5 : Net change in inventory 3/-	281	420	1,099	-53	-410	-439	29
6 : Total-----	11,319	14,248	19,866	23,309	24,002	25,333	29,735
Production costs, other than wages, rent, and interest on mortgages:							
7 : Feed bought-----	998	1,089	1,625	2,135	2,427	2,738	3,022
8 : Livestock bought, except horses : and mules-----	517	635	877	908	812	1,011	1,170
9 : Fertilizer and lime bought-----	306	334	417	505	576	657	683
10 : Repairs and operation of capital : items-----	1,006	1,099	1,244	1,407	1,528	1,626	1,981
11 : Depreciation and other consumption : of farm capital-----	796	874	1,370	1,403	1,463	1,340	1,224
12 : Taxes on farm real estate and : personal property-----	451	463	466	477	499	557	617
13 : Seed bought-----	197	203	301	406	440	435	428
14 : Miscellaneous-----	708	798	849	929	975	974	1,194
15 : Total-----	4,979	5,495	7,149	8,170	8,720	9,338	10,319
16 : Net income from agriculture-----	6,340	8,753	12,717	15,139	15,282	15,995	19,416
HOW NET INCOME WAS DISTRIBUTED							
17 : Wages to hired labor (cash and per- :quisites)-----	1,029	1,249	1,631	2,027	2,202	2,299	2,544
18 : Net rent and Government payments to : landlords not living on farms 4/-	448	647	890	1,044	1,043	1,064	1,401
19 : Interest on farm-mortgage debt-----	293	284	272	246	230	221	219
20 : Net income of farm operators-----	4,570	6,573	9,924	11,822	11,807	12,411	15,252
21 : Net income from agriculture-----	6,340	8,753	12,717	15,139	15,282	15,995	19,416
REALIZED NET INCOME OF FARM OPERATORS							
22 : Net income of farm operators-----	4,570	6,573	9,924	11,822	11,807	12,411	15,252
23 : Net change in inventory-----	281	420	1,099	-53	-410	-439	29
24 : Realized net income of farm operators-----	4,289	6,153	8,825	11,875	12,217	12,850	15,223

1/ Data for 48 States only.

2/ Revised.

3/ Reflects the physical changes during the year in all livestock and crops on farms, except crops under CCC loan.

Agriculture, United States, 1940-59 1/

1947	1948	1949	1950	1951	1952	1953	1954	1955	1956	1957	1958 2/	1959	
Mil. dol.	Mil. dol.	Mil. dol.	Mil. dol.	Mil. dol.	Mil. dol.	Mil. dol.	Mil. dol.	Mil. dol.	Mil. dol.	Mil. dol.	Mil. dol.	Mil. dol.	
29,620	30,227	27,828	28,512	32,958	32,632	31,126	29,953	29,556	30,564	29,824	33,490	33,146:	1
314	257	186	283	286	274	213	257	229	553	1,016	1,089	681:	2
2,971	2,925	2,399	2,223	2,471	2,374	2,161	1,944	1,806	1,775	1,762	1,753	1,628:	3
1,447	1,505	1,408	1,464	1,608	1,736	1,765	1,711	1,741	1,734	1,787	1,884	2,012:	4
-1,760	1,732	-863	815	1,176	921	-621	490	297	-415	762	1,037	518:	5
32,592	36,646	30,958	33,297	38,499	37,937	34,644	34,355	33,629	34,211	35,151	39,253	37,985:	6
3,746	3,996	3,024	3,283	4,144	4,331	3,770	3,906	3,840	4,058	4,083	4,496	4,623:	7
1,379	1,589	1,529	2,004	2,437	1,917	1,320	1,563	1,530	1,629	1,957	2,711	2,727:	8
755	826	895	978	1,085	1,229	1,245	1,274	1,256	1,241	1,280	1,345	1,444:	9
2,401	2,784	2,829	2,921	3,187	3,433	3,435	3,353	3,423	3,617	3,773	3,832	4,087:	10
1,604	2,059	2,428	2,736	3,226	3,399	3,520	3,616	3,722	3,722	3,885	3,961	4,125:	11
733	806	873	919	987	1,038	1,062	1,086	1,149	1,199	1,277	1,343	1,445:	12
514	581	543	531	561	594	560	542	577	537	529	532	534:	13
1,426	1,580	1,696	1,750	2,079	2,117	2,100	2,076	2,167	2,303	2,286	2,470	2,664:	14
12,558	14,221	13,817	15,122	17,706	18,058	17,012	17,416	17,664	18,306	19,070	20,690	21,649:	15
20,034	22,425	17,141	18,175	20,793	19,879	17,632	16,939	15,965	15,905	16,081	18,563	16,336:	16
2,810	3,034	2,865	2,678	2,800	2,802	2,793	2,716	2,736	2,733	2,785	2,878	2,929:	17
1,455	1,370	1,107	1,233	1,368	1,421	1,214	1,159	1,057	1,109	1,029	1,141	1,001:	18
225	232	243	264	291	319	347	373	405	446	487	527	580:	19
15,544	17,789	12,926	14,000	16,334	15,337	13,278	12,691	11,767	11,617	11,780	14,017	11,826:	20
20,034	22,425	17,141	18,175	20,793	19,879	17,632	16,939	15,965	15,905	16,081	18,563	16,336:	21
15,544	17,789	12,926	14,000	16,334	15,337	13,278	12,691	11,767	11,617	11,780	14,017	11,826:	22
-1,760	1,732	-863	815	1,176	921	-621	490	297	-415	762	1,037	518:	23
17,304	16,057	13,789	13,185	15,158	14,416	13,899	12,201	11,470	12,032	11,018	12,980	11,308:	24

with the changes valued at average prices for the year.

4/ After subtraction of taxes, mortgage interest, and other expenses paid by such landlords.

Table 46.- Deposits of country banks: Index numbers of demand, time, and total deposits, selected groups of States, specified dates 1940-60 ^{1/}

Year or month	(1947-49 = 100)											
	20 of the leading agricultural States ^{2/}			3 Lake States ^{3/}			5 Corn Belt States ^{4/}			8 Cotton States ^{5/}		
	Total	Unadjusted	Demand	Total	Unadjusted	Demand	Total	Unadjusted	Demand	Total	Unadjusted	Demand
1940-----	26	21	---	45	30	25	36	24	20	36	24	20
1945-----	80	82	---	76	79	83	74	79	81	75	82	85
1950-----	102	102	---	104	101	103	99	101	101	102	100	100
1955-----	122	119	---	156	127	133	121	126	121	140	128	123
1956-----	124	121	---	166	131	138	125	129	124	145	135	129
1957-----	127	121	---	190	136	140	133	133	125	145	140	129
1958-----	134	124	---	224	144	144	144	144	128	175	149	131
September-----	137	125	125	232	148	148	149	142	131	180	151	133
October-----	140	130	128	234	149	150	150	146	135	182	156	137
November-----	142	132	129	235	150	151	150	147	136	181	159	141
December-----	142	132	129	237	151	152	151	146	135	181	159	141
1959-----	141	128	---	251	151	149	154	144	131	187	161	140
January-----	143	132	128	240	150	150	150	147	135	183	159	140
February-----	142	129	128	243	150	148	152	145	133	183	158	138
March-----	140	127	126	246	149	147	152	144	131	184	157	137
April-----	140	127	129	248	149	146	153	144	131	185	160	139
May-----	139	125	129	250	149	145	154	144	130	187	158	136
June-----	138	124	128	251	150	147	155	142	128	186	158	136
July-----	140	126	127	254	152	149	156	144	129	189	159	136
August-----	140	126	126	255	153	151	156	144	129	190	160	137
September-----	142	128	128	255	154	153	157	145	131	190	163	141
October-----	143	130	128	256	153	152	156	146	132	191	166	144
November-----	143	130	127	256	153	151	156	146	132	190	169	147
December-----	141	126	123	256	150	145	155	143	128	190	167	146
1960:												
January-----	142	127	124	260	149	145	155	144	128	191	167	145
February-----	139	123	122	261	147	141	155	141	125	191	164	141
March-----	137	121	120	266	148	142	155	140	122	192	162	138
April-----	137	120	122	264	146	139	155	140	122	193	163	138

8 Mountain States ^{8/}4 Great Plains States ^{7/}

Oklahoma

	3 Delta States 6/				Texas-Oklahoma				4 Great Plains States 7/				8 Mountain States 8/			
	Total	Demand	Time		Total	Demand	Time		Total	Demand	Time		Total	Demand	Time	
1940-----	23	19	45		23	20	74		21	17	46		27	22	45	
1945-----	79	81	67		81	81	78		73	73	74		84	84	83	
1950-----	104	104	106		109	109	121		99	98	104		101	101	100	
1955-----	144	138	176		125	118	279		110	104	152		124	117	159	
1956-----	155	148	193		127	118	322		108	101	156		127	117	176	
1957-----	164	150	231		128	115	405		109	98	183		129	113	204	
1958-----	174	153	272		137	120	534		118	103	221		138	116	232	
September-----	174	150	285		139	120	559		121	107	228		139	116	238	
October-----	179	155	288		142	124	569		125	111	230		144	123	241	
November-----	185	162	292		147	129	573		127	113	232		149	129	241	
December-----	187	164	292		149	130	583		130	113	234		150	130	243	
1959-----	191	164	317		146	124	640		126	109	249		148	123	257	
January-----	188	164	299		151	132	601		131	116	237		150	128	247	
February-----	188	163	305		149	128	613		129	114	239		147	124	250	
March-----	188	162	308		146	125	626		126	110	241		145	121	251	
April-----	191	166	311		147	126	631		126	109	244		146	122	253	
May-----	189	163	314		143	121	640		123	106	246		145	120	255	
June-----	188	161	315		143	121	649		122	105	249		145	120	257	
July-----	188	160	321		144	122	653		125	107	252		146	120	259	
August-----	188	159	322		143	120	652		126	108	254		145	119	259	
September-----	190	161	324		144	122	651		127	109	255		149	124	261	
October-----	196	167	328		147	124	653		126	108	256		149	124	262	
November-----	202	174	331		151	129	654		126	108	257		152	126	264	
December-----	201	173	329		147	124	660		126	107	257		150	124	264	
1960:																
January-----	201	173	335		153	130	681		126	107	258		150	124	265	
February-----	200	171	337		149	125	690		124	105	259		146	119	264	
March-----	197	167	338		145	121	692		121	101	260		144	116	267	
April-----	199	169	342		144	119	697		120	100	261		145	117	269	

1/ For earlier years see Agricultural Finance Review, vol. 15, Sup. I, May 1953, pp. 14 and 50. Indexes are based on deposits of member banks of the Federal Reserve System located in places of less than 15,000 population. Annual indexes are simple averages of monthly indexes which are based on average amounts of daily deposits. In preparing indexes for groups of States, the amounts of monthly deposits for each State are weighted by cash farm income in the base period. Beginning with December 1959, U. S. Government deposits are excluded from the data on which the indexes for demand deposits are based. This change in method of reporting slightly lowers the levels of the indexes. 2/ Ark., Ill., Ind., Iowa, Kans., Ky., Mich., Minn., Mo., Nebr., N. Y., N. C., N. Dak., Ohio, Okla., Pa., S. Dak., Tex., Wash., and Wis. 3/ Mich., Wis., and Minn. 4/ Ohio, Ind., Ill., Mo., and Iowa. 5/ N. C., S. C., Ga., Ala., Miss., Ark., La., and Okla. 6/ Miss., Ark., and La. 7/ N. Dak., S. Dak., Nebr., and Kans. 8/ Mont., Idaho, Wyo., Colo., N. Mex., Ariz., Utah, and Nev.

LIST OF AVAILABLE PUBLICATIONS AND REPORTS
RELATED TO AGRICULTURAL FINANCE

Agricultural Credit:

	Date issued	
Farm-Mortgage Lending Experience of Life Insurance Companies, the Federal Land Banks, and the Farmers Home Administration (quarterly)-----	Apr. 1960	
Farm Investments of Life Insurance Companies, 1959-----ARS 43-119	Apr. 1960	
Financing Development of Small Grade A Dairy Farms, Piedmont Area, South Carolina (In cooperation with South Carolina Agricultural Experiment Station)-----S. C. Agr. Expt. Sta. Bul. 482	Apr. 1960	
Approaches to Income Improvement in Agriculture. Experiences of Families Receiving Production Loans Under the Farmers Home Administration-----Prod. Res. Rpt. 33	Aug. 1959	
Farm-Mortgage Debt at New High Level-----ARS 43-107	July 1959	
What Young Farm Families Should Know About Credit-----U.S.D.A. Farmers' Bul. 2135	June 1959	
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<u>Farm Real Estate Values:</u>			
Current Developments in the Farm Real Estate Market (issued 3 times a year)-----		1960	
Farm Real Estate Market in Nebraska (In cooperation with Nebraska Agricultural Experiment Station)-----	Nebr. Agr. Expt. Sta. Bul. 456	Mar.	1960
Land Values in the Southeast - Now and in the Future (Address)-----		Feb.	1960
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Land Market Trends in South Dakota, 1941-56-----	S. Dak. Agr. Expt. Sta. Pam. 86	June	1957
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Arkansas Land Prices in War and Peace-----	Ark. Agr. Expt. Sta. Bul. 517	Nov.	1951
Improving Land Credit Arrangements in the Midwest-----	Ind. Agr. Expt. Sta. Bul. 551	June	1950
<u>Farm Insurance:</u>			
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Insurance Facts for Farmers-----	U.S.D.A. Farmers' Bul. 2137	July	1959
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<u>Other:</u>			
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- *Windstorm Insurance on Bananas in Jamaica.

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- *Financial Management for Farm People.
Soil and Water Conservation Loans of the Farmers Home Administration.
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